

JPRS-EER-86-004

13 January 1986

East Europe Report



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13 January 1986

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AGRICULTURE

ROMANIA

IMPROVED SUNFLOWER HYBRIDS REALIZED

Bucharest AGRICULTURA SOCIALISTA in Romanian 3 Oct 85 p 4

[Interview with Dr. Docent Engr. Viorel Vranceanu, scientific director of the Fundulea Research Institute for Grain and Technical Crops, coordinator for the FAO sunflower research network, by Emilian Albulescu]

[Text] [Question] Your election as coordinator of the FAO sunflower research network attests to the outstanding results obtained by Romania in this area....

[Answer] It is well known that the network involved -- which in 1985 is 10 years old -- numbers 42 institutes in 34 countries of Europe and other continents. These institutes developed research of applied genetics, behavior of hybrids under different ecological conditions, use of wild species for evolving varieties that resist to adverse conditions and pathogenic agents, combating of diseases, pests and weeds, and so forth. These are areas in which Romania has obtained outstanding results, because of the excellent conditions ensured to research by the party and state leadership. Our institute has a powerful material base and highly qualified cadres, that enable us, while applying modern methods of genetic engineering and improvement, to skip seasons, to obtain two to three generations of crops a year, to multiply the future improvement material for the purpose of accelerated integration of new varieties in production.

[Question] What qualities should the new hybrids have?

[Answer] The sunflower improvement work conducted at the Fundulea Institute aimed at developing and promoting in cultivation better and better biological forms with the most favorable reaction to the conditions of climate and soil in different cultivation zones. The most recent creations include the simple hybrids Felix and Select and the trilinear hybrid Super, characterized by great production capacity (3800 kg/ha seeds with humidity of 11 percent, 4000 kg/ha and, respectively, 3900 kg/ha) and record oil content in seeds (55 percent, 54.5 percent and, respectively, 54 percent).

[Question] Please briefly characterize the three hybrids.

[Answer] Felix, specifically recommended for the plain in the west of the country and the western half of the Danube Plain, falls into the category of semi-late hybrids, with a vegetation period of about 131 days. The average height of the plants is 176 cm. The hybrid is sturdy and very resistant to drop. Deep roots also ensure higher resistance to drought. Their foliage is very rich, dark green, with a marked metallic gloss. The large capitulum is slightly convex and covered, as far as the center, with full seeds. The elongated, large seeds, with the mass of 1000 grains of 75-80 g, are black, very slightly striped. The hectoliter weight is superior to that of most hybrids, a fact that indicates greater resistance to shrivelling. Furthermore, Felix is totally resistant to the mildew onslaught and also displays superior resistance to brown spotting of the stem.

Select, recommended for the same zones as Felix is, but also for the eastern half of the Danube Plain, has a vegetation period of 127-130 days, the plant height is 10-15 cm shorter than that of Sorem-82, its rooting is strong, the stem is sturdy, and the leaves are dark green. The capitulum is large, convex and half slanting; the seeds, of medium size (the mass of 1000 grains is of 68-75 g) are black, slightly striped and have a hectoliter weight of more than 40 kg. The Select hybrid has a broad spectrum of resistance to the onslaught of major pathogenic agents of sunflower, such as mildew (total resistance), *Sclerotinia sclerotiorum*, *Orobanche cumana* and *Phomopsis* sp.

Super is the first trilinear sunflower hybrid integrated in cultivation in this country. Its fruition capacity is on a par with that of the most productive simple hybrids. The stem is flexible, very resistant to drop and breakage; the rich foliage is dark green; the slightly convex, half slanting capitulum is well covered with seeds and very resistant to shaking; the seeds, black-gray and slightly striped, are of medium size (the mass of 1000 grains is of 65-70 g) and the hectoliter weight is 38-41 kg. It is totally resistant to mildew and is more resistant than Sorem-82 to the onslaught of *Sclerotinia sclerotiorum* and *Phomopsis* sp.

[Question] What are the other advantages in the hybrids described?

[Answer] It should be stressed that they are produced easier than most of the sunflower hybrids currently grown, because their parental forms have a perfect coincidence in flowering, and hence this eliminates the need of staggered planting, consequently double passage of seeder on the same area. The tests with different densities conducted at our institute revealed another major feature of the new hybrids: they provided productions of seeds that were similar to those of the hybrid Sorem-82, for densities of 20,000 and 40,000 plants per hectare. However, in the case of 80,000 plants per hectare there were significant crop increases, especially because of the greater resistance to diseases,

to drop and breakage of plants, and also because of a far higher percentage of of full seeds, especially in the central section of the capitulum.

[Question] How do you make these results internationally known?

[Answer] We publish in French and English an informative bulletin entitled "HELIA," through which we popularize the results in the network for the purpose of their dissemination. Our activity is aimed at assisting the developing countries in introducing and expanding sunflower growing, thereby contributing to the implementation of the Program for improving world nutrition, a program evolved and directed by the UN Food and Agriculture Organization -- FAO.

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CSO: 2700/44

ECONOMY

HUNGARY

NEW GENERAL INCOME TAX EXPLAINED

Budapest MAGYAR HIRLAP in Hungarian 21, 22, 23, 25, 26, 28 Nov 85

[Article by M.L. [Maria Lakatos]: "The New General Income Tax"; first paragraph is MAGYAR HIRLAP introduction]

[21 Nov 85 p 5]

[Text] A Single-Channel Tax

As we have already reported, the Council of Ministers has amended on 6 November the regulations governing general income tax. The statutory provisions will still be promulgated this month. We have already reported the more important changes (in the 11 and 12 November issues of MAGYAR HIRLAP) and will now attempt to explain them in the serialized article beginning today.

The changes will become effective as of 1 January 1986, which means that they will apply to 1986 incomes. Thus tax on 1985 incomes will still have to be paid according to the old regulations. Only two provisions will be introduced at a later date: First, effective 1 July 1986, the tax base of imported motor vehicles resold within five years will be 50 percent of the customs valuation (a 10-percent duty is levied on the transfer of such vehicles at present). Secondly, as of the same date, the tax-assessing offices attached to the local councils will take over the work of the partnerships for the allocation of collectively assessed general income tax.

The definition of taxable income is being broadened only in one respect: the already mentioned resale of imported motor vehicles will be subject to general income tax, instead of the present transfer duty. In any case, it will do no harm to repeat that the regulations governing general income tax apply to any income which is not liable to a retirement-fund contribution, unless the law specifically exempts the income from general income tax. To cite merely one example: we pay retirement-fund contributions on wages and salaries, and therefore such income is exempt from general income tax. Private merchants and artisans, the members of small businesses (on their shares of income), and self-employed intellectuals pay general income tax. Various copyright and inventor's royalties also belong here. However, more favorable tax treatment will continue to apply to household plots and ancillary farms.

With the abolition of KOFA (community development tax) as of 1 January, the new general income tax will become a single-channel tax. The changes have

incorporated the abolished KOFA into the tax system as follows: Neither the tax rates nor the income brackets have changed up to an [annual] income of 80,000 forints; in other words, the total amount of tax paid will not increase at all. Indeed, less tax will be paid on income up to this limit, due to the abolition of KOFA. It will be remembered from the tax table published in an earlier issue that the previously single income bracket of 60,000 to 100,000 forints has been split into two separate brackets. The tax rate on income up to 80,000 forints remains unchanged; but the tax rate on income from 80,000 to 100,000 forints increases from 20 percent to 30, and there is an increase in the tax rate also for each of the subsequent income brackets. On incomes from 80,000 to 200,000 forints, in other words, KOFA has partially been built into the general income tax, but even so the amount of tax paid will be less on average than at present. Because of the higher tax rates for incomes exceeding 200,000 forints, however, the amount of tax to be paid will be more, in spite of the abolition of KOFA.

A brief comment may be useful at this point: the current KOFA rates have not been uniform either. Retailers and artisans have been paying 20 percent; the members of small businesses and self-employed intellectuals, 10 percent. But the new tax rates have been "tailored" to the higher KOFA rate. To prevent an increase for this reason in the amount of tax paid by the members of small businesses and self-employed intellectuals, they will be permitted to deduct more costs than at present. (Continued.)

[22 Nov 85 p 5]

[Text] Computation of Tax Base

In the first installment of our serialized article we explained that KOFA has been built into the new tax rates, and that the total amount of tax paid will be higher than at present in the case of incomes exceeding 200,000 forints. To compute the tax, however, it is not enough to know the income brackets and their corresponding tax rates. It is likewise not indifferent how one computes his tax base, i.e., the amount of his taxable income.

The new decree enables the members of small businesses and self-employed intellectuals, who up to now have been paying 10 percent KOFA, to deduct more expenses than previously. In other words, the tax rate is higher, but on the other hand the tax base is smaller, and thus the fact that KOFA has been built into general income tax is not detrimental to these taxpayers. (As we have noted, the present tax tables have been tailored to 20 percent KOFA.)

Up to now the members of small businesses have been able to deduct as personal expenses 5 percent of their share of the income (in other words, the tax base has been 95,000 forints, instead of 100,000). This deduction has now been increased to 10 percent. At the same time, the manner of deducting the tax paid by a partnership has not changed. In other words, the members jointly first pay this tax after deducting the expenses, and then may divide the remainder among themselves. But the manner of computing the deduction has changed: 10 percent of TBK [partnership's gross income] may be deducted.

Self-employed intellectuals, too, may deduct more in expenses than previously. The state's role as a generous patron of the arts is being curtailed. For

example, painters, sculptors and industrial artists are receiving fewer and fewer commissions from the state, and their diminishing incomes are alleviated at least partially by a reduction of their taxes. The peculiarities of the individual professions have also been taken into consideration in the rules on deducting expenses, and the tax base for authors, inventors or artists has been reduced by 30 to 60 percent. Up to now, for example, a writer with an annual income of 200,000 forints has been paying tax only on 80,000 forints, but from now on his tax base will be reduced to 50,000 forints. Another provision that falls within this circle is that henceforth royalties of less than 1000 forints will not be lumped together; in other words, they will not be included in the tax base. Not only the taxpayers will benefit from this exemption, but also the internal revenue service, mainly the local councils: they will be relieved of having to file and add up the vouchers for such relatively small items of income. (Continued)

[23 Nov 85 p 5]

[Text] Mode of Assessment

Two provisions to simplify procedures are perhaps the most significant changes in the regulations on general income tax. Under a system of self-assessment, small businesses calculate and pay their own taxes, and they are audited every other year. But the taxes of artisans and retailers have been determined up to now by their partnerships for the allocation of collectively assessed general income tax, on the basis of estimates, which has been a frequent source of disputes. As of 1 January 1986, however, artisans and retailers will be able to calculate and pay their taxes under the system of self-assessment, in the same way as small businesses are doing at present, provided that the artisans and retailers employ the same kind of bookkeeping system as the small businesses. In this case, it will not be possible to assess taxes on the basis of estimates.

According to the regulations, self-assessment, the aforementioned method of bookkeeping, and computation of the amount of tax "without any outside help" will be mandatory if the taxable income exceeds 500,000 forints, or if the turnover exceeds 2.0 million forints for an artisan or 8.0 million forints for a private merchant. The tax authorities will "merely" audit the tax returns.

If the turnover or income falls below the limits specified above, the artisan or retailer may elect to pay a lump-sum tax. (The payment of a lump-sum general income tax has been possible even up to now, but according to different rules, and permission to pay tax in this manner has been limited to one year.) Now the amount of the lump-sum tax will be determined for a period of three years, commensurately with the turnover and not the amount of income. The federations will set up voluntary committees, and the councils will establish offices for the assessment of general income tax. The committee and office concerned will determine jointly to which lump-sum tax class the individual artisan or retailer belongs. Eight turnover brackets have been set up for artisans; and another eight, for retailers. (For retailers, the brackets rise in increments of one million forints.) Three classes of lump-sum tax have been specified for each bracket, and it will be possible to choose from

among the three. Such differentiation is warranted because a boutique and a grocery, each with an annual turnover of 2.0 million forints, will not earn the same amounts of profit.

The lump-sum tax has been determined as a fixed amount, rather than a tax rate. If the turnover remains for three years within the given bracket, it will not be possible to change retroactively the amount of tax owed. In other words, this gives the taxpayers more security. And if the increase in income is due to lower costs, for example, the artisan or retailer may retain the net profit in his business. But it is likewise true that the artisan or retailer who elects to pay a lump-sum tax will be contributing 15 to 20 percent more revenue for society's expenditures than if he were to figure his taxes in the traditional manner, which remains as the third option. In other words, artisans and retailers may continue to pay taxes on the basis of filed tax returns.
(Continued)

[25 Nov 85 p 5]

[Text] Tax Concessions, Exemptions

In the installments so far we have explained who has to pay general income tax, how and why the tax rates have changed, and the new way of computing the tax base. Now let us examine the tax concessions.

Already the tax system now in force permits a reduction of the tax base in certain cases; and tax exemptions for social considerations, for example, are not unknown. Thus retired artisans, the partially disabled, etc. will be able to reduce their tax base from now on by 60,000 forints, instead of the 48,000 forints at present.

Up to now the councils concerned have been able to grant 50,000 forints' worth of tax concessions, for trade-policy considerations--in conjunction with the opening of new stores or shops in unsupplied areas--or to subsidize production. As of 1 January 1986, the limit for such tax concessions will be raised to 120,000 forints (and will apply to small businesses as well).

The concessions that serve to promote technological progress likewise make for larger tax-exempt incomes. The objectives are the same as those of the government's preferential programs: in other words, energy conservation, scrap utilization, health services, and inventions belong here. The statutes itemize by how much the tax base may be reduced. For example, 30 percent of the income from the output of an energy-efficient product is tax exempt. Another concession has been a tax credit of 3,000 forints per apprentice, which is being increased to 6,000 forints from now on. And the master is exempt from manpower tax if he continues to employ his one-time apprentice for three years after the latter completes his apprenticeship. (Otherwise the rate of the manpower tax is being reduced from 20 to 10 percent.)

As we have already mentioned in conjunction with small businesses, and with copyright and inventor's royalties, it will be possible to deduct more in expenses from now on. Artisans and retailers, too, will have more opportunity

to do so. If they invested in their business already in the two years preceding its opening, or if they built up inventory or modernized a run-down business, they will be able to deduct all these expenses from their tax base.

Although we have explained only on a few major changes the new regulations on general income tax that will be effective as of 1 January 1986, it is perhaps evident already from this much that the idea of curbing legally recognized activities has not arisen at all. More tax will have to be paid on higher incomes, but the amount of tax may be reduced by new or increased tax concessions. The tax table will remain uniform. From this point of view, then, everyone's tax burden will be equal, but differences in charging expenses to costs will reflect the differentiation among economic activities.

Contrary to expectations, interest on savings deposits will remain exempt from general income tax; the taxation of income from paying guests, and of profit from the sale of real estate, will likewise remain unchanged. But only when the data for the first year will have been summarized and evaluated will it be possible to tell who has fared better, respectively worse. (Continued)

[26 Nov 85 p 5]

[Text] Examples

In the installments so far, we have discussed the principal changes. Now let us examine all this on a few examples.

As we have mentioned, taxpayers with relatively small incomes of less than 200,000 forints will be paying less tax. The tax bill of an artisan earning 90,000 forints a year will develop as follows:

<u>Year</u>	<u>Income</u>	<u>Income tax</u>	<u>KOFA</u>	<u>Jointly</u>
1985	90,000	9,600	1,920	11,520
1986	90,000	10,600	-	10,600

Taxpayers earning over 200,000 forints a year will be paying more tax than up to now. By how much more? Our examples compare the taxes, respectively, of artisans, members of small businesses, and writers, each earning 500,000 forints a year. In the case of artisans:

Inc. (before social security contribution)	500,000
Social security contribution	73,440
Tax base	426,560
Tax	215,520
Disposable income	211,040

In the following table, the computation of the tax paid by the member of a partnership takes into account the changes in the sequence of deductions.

Partnership's tax base per member	500,000
Partnership's tax	48,000
Income available for distribution	452,000
Social security contribution	73,440
10-percent deduction for personal expenses	37,856
Tax base	340,704
Tax	151,128
Disposable income	227,432

A writer earning 500,000 forints has to pay tax on 190,000 forints and is able to charge the rest to cost. The tax on 190,000 forints is 54,100 forints. But it is also true that the amount of disposable income cannot be determined exactly, because only estimates are available on the cost of producing the product and on the amount of time required to do so. (This much income may be the fruit of creative work over a period of several years.) (Continued)

[28 Nov 85 p 5]

[Text] Superauditors As of January

The functions of the internal revenue service will change as of next January, partially because it will consist of new organizations. The greatest change in this respect will be the establishment after 1 January of a corps of super-auditors, attached to the Control and Auditing Main Administration of the Ministry of Finance.

As we have learned at the Ministry of Finance, the suprauditors will not be auditing accounts and tax returns on the basis of information received from citizens. The suprauditors' task will be to aid the staff members of economic law enforcement in various economic cases, and to uncover the abuses jointly with them. There is need for such cooperation. Consider the case of the Budapest Szivarvany Department Store, which clearly revealed the excellent "cooperation" between the state and the private sectors in the allocation of textiles. In such cases it is exceptionally important to obtain and examine all invoices and vouchers already at the start of the investigation. As a rule, tax fraud is eclipsed by the crime itself--such incomes usually go unreported--but the court takes the tax fraud into consideration as an aggravating circumstance.

Another function of the corps of suprauditors will be to investigate the abuses that are uncovered by the control agencies but do not lend themselves to further analysis by conventional methods. The corps will not be attached to a single megye or city. Thus it will be able to investigate anywhere in Hungary and request assistance from the experts in economic law enforcement. To avoid misunderstanding, however, we wish to point out that the supereauditors will not have more authority than their colleagues. An appeal from the decisions of the corps may be filed with the Ministry of Finance, and not with the tax authority of the first instance. If a taxpayer is dissatisfied with the Finance Ministry's ruling on appeal, he may petition the finance minister for a review of his case. And if the taxpayer objects to the legal basis of his tax assessment--for example, if he feels that he is being taxed tens of thousands of forints unlawfully--he may go to court for legal remedy.

ECONOMY

HUNGARY

SHORTCOMINGS OF REFORM, TOO MUCH PRIVATE ENTERPRISE

Budapest ELET ES IRODALOM in Hungarian 18 Oct 85 p 5

[Article by Mihaly L. Kocsis: "A Shortage of Reform or a Reform of Shortage?"]

[Text] I did not always agree with, but always understood, the opinion of Tamas Ungvari. But no matter how much I tried I failed to grasp his latest article, written as a commentary. What does he want to say, to whom, and why?

Well, no! I did succeed in decoding one or two of his messages. The insults, which are becoming indispensable in our literary debates, were precise if not nice. And it may be clear for everyone that only Dezső Tandory, and Tandorism, i.e., the writer who, as a practicing ornithologist, makes the irreparable mistake of confusing the storm-bird of the revolution with the sparrows of Lanchid Street, is responsible for Hungarian literature's present critical situation. If he would deal with storm-birds, the cause of Hungarian reform would move ahead with the necessary momentum, but the way it is, no one should wonder if this reform stumbles occasionally...A poet who changes his soul's eagle (or storm-bird, what do I know) with a sparrow. For, actually, it was Gyula Illyes himself who already said that "few literatures allow such a luxury of a great poet." No misunderstanding! Illyes was not thinking of Tandory but conversation, of course. And when did he say it? During a friendly conversation, of course. "Between ourselves"...when we discuss the issues of Hungarian literature, the world, and the economic reform. Poor Illyes was caught by the fate of the dead. The number of his followers, friends and quoters is increasing. He cannot protest. He can do that only with his entire lifework and literary reputation. These he possesses. Knowing these, at any rate, the statement attributed to him by Tamas Ungvari is difficult to imagine. For Illyes knew that to mention "such a luxury" of a "great poet" in connection with a lack of social commitment is, to put it mildly, nonsense. One reason is, for example, that there is no socially uncommitted great poet, to use the writer's expression. A great poet (meaning more than having the tall body) is one who, in his own way, understands, comprehends, experiences, and makes the "epoch" in which we live. Not to speak of the important question whether or not commitment exists in itself, without any reference. Do I have a commitment?, one may ask himself. Yes. But why, against what, to what, debating what? "Socially uncommitted." What does this mean this way? I would like to ask Tamas Ungvari. Primitive society as well as feudalism, capitalism and socialism are all societies. And

even the latter social organization brought about such sharp changes that it would take real courage to simplify them to a mere "I am committed". Illyes would not have known this?! This is hard to imagine just as is his confrontation of "one of his greatest" contemporaries with society.

But in his debating article, Ungvari talks not about Illyes and not about Tandori and, supposedly, not about sparrows but about reform. About a reform which everyone opposes and no one praises - something like this is what one can read between the lines. Thus, according to Ungvari's definition, anyone who is not with it, is against it. Full people generally praise the cook's cooking and tend to consider the possibility of being close to the flesh-pot entirely acceptable. I do not know whether or not it is possible to pay attention to the hungry (as well) with a full stomach and with a pleasant muscle pain resulting from justling.

I have read and heard much recently about the reform and, although I am not an economist, it is not difficult for me to agree that there is a stringent need for some kind of a renewal, a thorough assessment of our affairs, and a renewal of our work at every level. But I would have like very much to hear, in terms of these thoughts, exact words about this reform and some concomitants of enterprising socialism as well. But this remains only a wish.

Why?

Because, I think, we do not have the courage to discuss one of the most important issues. Namely, that when celebrating the introduction of the principle of production or at least the recognition and discovery of this principle it is not clear enough for us that in today's Hungary we recognize not production by ability. Inequities in incomes are not created primarily by socially useful and actual productions. Of course, everyone knows this: we have been laughing for 10 years about the parable of the grocer with a Mercedes and the university professor with a Trabant. But everyone thinks only of the grocer. Although he is not at fault. Whatever fault he has, should not be a fault in a healthy society: it should be relegated to the internal revenue service, to the police or to public opinion. The problem is with the professor. For the professor this is an old song is not making enough money. And since everything is relative, this was not so apparent until the grocer became successful. The relatively underpaid professor, the relatively underpaid engineer, the relatively underpaid worker, and others, still constituted a relatively unified society. But in the moment in which some persons, in increasing numbers, rise above 'his "relatively" through their own work, the reason for contemplation emerges.

The grocer--or anyone else who, mobilizing his money and his mental and physical energies, enters life's "market" whirl-- accepts risks and delivers extra work in exchange for a higher income. He will fight for the latter. And, evidently, his fight will be more successful in a bad economy or bad market. If his expectations do not materialize, he discontinues. Then he goes back to the state grocery to cheat the customer, earning little income.

What did he do then? A realistic change. He can do it, for at this level of small enterprise, the mechanism is still so simple. But what should the professor, the engineer, the writer do? And what should the worker do? The latter organizes economic work associations within the factory. And a few hours of moonlighting (doing quality work) will yield many times more income than the previous 8 hours at work, using the same machine, making the same product. He suddenly understands that the value of this work during the daily 8 hours is not being paid for. Then, what is happening? Is he being exploited?

I for one believe, and everything indicates that it is not honest to start a competition with unequal chances. Especially not when we even say at the start that everyone has the same chance. The reason why sports are still the nicest and justest territory of life is that a fencer with his sword does not have to face an opponent with a large-barreled rifle; at least cheating is done on the same field and according to the same rules. A big thing!

A country of 10 million people cannot be leased to businesses operators; not everyone can be a private entrepreneur; not everyone can start a small business: not even a large one. Reform should start somewhere at the point expressed in the first week of October by a leading Hungarian politician, unfortunately in a festive speech of giving back to work its honor. I acknowledge, this is a rather striking program 40 years after the proclamation of the "society of work." But it is perhaps still the most important thing.

The honor of work! And everywhere. And the first step can be nothing but the unmerciful assessment of values. It has to be said that in a society everyone must make a decent living--not only making a living but making a decent living and, later a good living!--and this can be the only point at which a healthy inequality and the fight against equalization may begin. This will take us forward. But only confusion will result if we give up.

I do not believe that the present Hungarian society has polarities such as the grocer--worker, small businessman--professor, private repairman--journalist. But there are polarities such as the grocer-worker with a bad market and producing mechanism; the small businessman urged to use "left-over" money--professor forced to overspend; private repairman ready to handle shortages--journalist unable to handle shortages.

For there is a shortage of people, too!

He who works with words is the first to feel this shortage. And he suffers terribly from it. Even a journalist. Not to speak of a writer!

If literature does not feel good today, it has every reason. But I do not think it does not feel good. On the other hand, certain members of society do not feel very good. If literature can express this, then it is doing its job. If not, then, regardless of commitment, it is not doing its job. Not even if it is writing from morning till evening about storm-birds without saying a single word about sparrows.

I do not know whether Tamas Ungvari is fighting people or phenomena? If he is fighting against the latter, then I do not understand why he speaks so condescendingly about "mood reports." Literature does not always point forward like a resolution regarding mass sports.

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CSO: 2500/49

ECONOMY

YUGOSLAVIA

BELGRADE ECONOMISTS CASTIGATE SYSTEM, PLAN

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 4 Nov 85 pp 20-26

[Interview with economists Ljubomir Madzar, Zoran Popov, Mladen Kovacevic, Sofija Popov, Oskar Kovac, and Nikola Zelic, by newsman Fedja Zimic: "The Next Move Is up to Politics"; date and place not given]

[Text] In preparing the Draft of the Social Plan of Yugoslavia for the Period 1986 to 1990 the Federal Bureau for Planning commissioned the Institute of Economic Science in Belgrade to do a study of the conditions, potential, and prerequisites for development of the Yugoslav economy, with particular emphasis on analysis of the dependence upon imports and of investments. The results and views contained in that study were used in drafting the Social Plan of Yugoslavia, which was recently presented to delegates of the SFRY Assembly, where that document will be adopted by the end of the year. Although the views of the delegates will be decisive as to the final content of the plan, we judged that it would be interesting for us to talk with those who actually did the study referred to. They are Ljubomir Madzar, Zoran Popov, Mladen Kovacevic, Sofija Popov, Oskar Kovac, and Nikola Zelic. Our staff writer Fedja Zimic prepared a freely edited version of this interview.

Ljubomir Madzar: Perhaps we might immediately begin with the observation that it is not a good time for drafting plans nor for any look very far into the future in view of the horrible uncertainty. What for a long time was normal and regular development was interrupted rather drastically at the beginning of this decade by the well-known disturbances which we still cannot see quite to the end of. That is, there is extremely great uncertainty, perhaps greater than ever before in our postwar development, leaving aside what happened after the Cominform Resolution, and it is well known that a highly uncertain situation is not the best for making any long-term plans. I think that this ought to influence the character of our plans somewhat and that the planners must change their style or the content of plans and instead of plans containing projections for which in any case there is not enough information or enough known elements, to turn to plans of action. It seems to me that never before has there been so little basis in terms of real trends and some real situation for the rates with which the planners enter into their planning projections as is now the case. If one were to ask the planners: Why those rates rather than some others, I think that they would be greatly troubled to make an acceptable answer. These plans are more lists of goals and certain commitments

than plans which are based on trends that are objective in nature and which one can suppose with reasonable probability if not certainty that they will continue in the future as well.

EKONOMSKA POLITIKA: Does it seem to you that those opposing tendencies indicate that an essential change in the nature of the plan is required?

Madzar: Yes, I think that is exactly why the plan or the character of the plan should be altered, although constraints are contained in the Law on Planning itself. But regardless of the law, I think that we ought to draw up a plan of our action under these difficult conditions, and indeed possibly even a plan for getting out of these unenviable conditions which we will probably have to face over a lengthy period of time.

At the same time, one of the deficiencies of our plans to date has been we did not precisely know which entities would guarantee that the measures be enacted and carried out. I think that this point needs to be emphasized far more than was ever the case before.

Nikola Zelic: I have been thinking along similar lines. Our present crisis, and that is the word that is most frequently and daily mentioned, is not a crisis in the sense of any particular developments, it is not a crisis in the sense of any sort of critical fluctuations, so that by extrapolation of the particular trends we might project that future trends would be such and such. So, it is not a question of certain manifestations of crisis in the conventional sense, but of a particular state. With respect to its quantitative features this state has lasted for 5 years now, during which we have had a stagnant economy with a growth rate of only 1 percent. So, a certain state of affairs has become frozen. The evidence that this is precisely a state lies in the fact that the entire set of affairs has assumed lasting physical features. The shortage of energy is a lasting physical feature. The lack of infrastructure, the lag of transportation and other forms of communication, is also a materialized state. The same is true of the foreign debt, since we cannot squeeze additional domestic accumulation out of the available income, and this also represents a lasting feature of the state of crisis.

These material components have already become established in the socioeconomic sphere as well as socioeconomic attributes of Yugoslavia, as attributes of an underdeveloped business sector, of an underdeveloped economy. In that sense we already recognize the outlines of what is called social dualism in the socioeconomic sphere. That is a standard category in the elementary theory of development, a theory that takes underdeveloped economies as its subject. Social dualism--where there is a certain social stratum of people in the structure of society, but most are made up of workers, people employed in the socialized sector, the poorest peasantry, and unemployment, while at the other pole are those who are employed in the sectors which are better off and various people who derive income from property. Why is that important? Because this social attribute, with respect to social principles also implies certain economic developments in our society. That is, it is well known that distribution determines consumption.

Technological dualism, as a feature of the condition of the underdeveloped countries, is also outlined in our case. We have segments of the economy or producers in the same grouping whose equipment is extremely good and ultramodern from the technological standpoint, and others which are stagnant.

This kind of situation naturally penetrates the consciousness often even of professional economists, who have an entire brief to present about how we need to import modern technologies so that we could produce only for exports. Or, another example: the opportunity to create additional jobs is seen in the largest possible employment of rural inhabitants in agriculture, which is also an anachronism and exceedingly resembles those economies which are characterized by technological dualism, since it is there that one encounters that phenomenon. It is really astounding the analogy between that present state of ours and the features of the classic underdeveloped countries. The analogy is there, although I am aware that analogies are not the best method of arriving at understanding. In other words, everything indicates that in our European environment we have now become established as a country which has fallen out of the group of moderately developed countries. The question now, then, is what actions are to be taken, not how to plan and extrapolate and what to do in order to shake up and break up that situation. Another thing I believe is important here is what has brought us here, since it is precisely that diagnosis that will probably contain the first ideas about how to treat it and the directions for getting out of this charmed circle.

Madzar: I think we need to add to this assessment of the situation people's mental state, since people are disappointed, and pessimism has taken hold of them.

Zoran Popov: Along with everything that Nikola has pointed out, I would like to add some other observations. For example, over the last 6 years Yugoslavia has been developing at between one-third and one-half the rate of prewar Yugoslavia, whose annual growth rate was 2-3 percent. Over the last 6 years our growth rate has been 0.8 percent. The crisis in Yugoslavia has lasted for all of 6 years now. Which means twice as long as the effects of the world economic crisis in the economy of old Yugoslavia.

Accordingly, just these two facts, combined with a third, that there are more than a million unemployed, that investment in our economy has been inadequate for a number of years, that we are lagging behind in technology--direct us toward certain extremely unpleasant conclusions. Even now it is evident that the 7th year of the crisis situation will be approximately the same as this one. These are some of the facts which illustrate the tragic situation of the Yugoslav economy, which is no longer capable of any kind of normal functioning.

However, I think that there are certain other things which ought to receive our attention: For example, over the last 25 years not a single one of the country's medium-term plans have been fulfilled. The five plans adopted had the following fate: We formally withdrew three of them, and two were not carried out. Over that entire period the trends in development of the economy have been diametrically opposed to the intentions of all those plans. That is

also a fact indicative of the tragic nature of the present situation of our economy: external uncertainty, internal uncertainty. At the moment no one can say what the fate of our internal conditions of development will be, what will happen with the changes in the economic system. It seems, however, that the state of affairs at the moment is such that we should not anticipate any sort of very serious changes in the domain of the economic system in the near future either, although from the standpoint of economic optimality we are talking about a system which has obviously brought the country into a crisis which it cannot overcome. The only explanation can come out of the fact that the political factor is not willing to undertake a change of the economic system, since this would also involve a change of the political system. No deal can be made that would bind the political system, development strategy, and economic system together. In the situation that prevails at the moment in our country there is blockage in all areas, and anyone who attempts--though I agree that it is a thankless task to make any sort of forecasts--can only say that under the same or worse conditions than those which have prevailed over the past 6 years the prospects of the Yugoslav economy are approximately what the trends of development have been over the last 6 years. That is, a stagnant situation.

In that sense, I think the research which we did as supporting material for the plan offered a better impetus for preparing the next medium-term plan. Why? For the simple reason that the plan ought not to be drawn up so ambitiously as to include a growth rate of 4-4.5 percent, since it is quite certain that the country cannot achieve that growth over the next 5 years, it is too short a period, and nothing has been solved. I think that the political credit which our party has should not be put on the line. What is the point of backing a plan when it is quite certain that it cannot be fulfilled, and whether it likes it or not, the party must stand behind it.

All that a man can say, respecting professional ethics and risking being labeled for it, is to point out to the so-called subjective forces, to the political factor, that Yugoslavia is heading inevitably for an economic catastrophe unless the thinking and the action of those authorities which have the responsibility undergo an essential change, and that in the very near future.

EKONOMSKA POLITIKA: Have you thought about the possibilities that those changes could indeed be speeded up. In OMLADINSKE NOVINE, which is published in Montenegro, Branko Horvat has launched the argument, which to be sure he does not elaborate, that the trend of inflation could be turned around and reduced in a year and development speeded up.

At the same time it is obvious that the changes in the economic system you have been speaking about depend upon changes in the political system. What sort of changes do you see?

Popov: I think that the political factor's resistance to changing the situation arises not only from the fact that the political system would have to be changed, but also because there is a matter of dispute as to whether a complete change of the economic system is required. That is, there is a need for some kind of acknowledgment which can only be made by the leading force of the

society, the party. It takes quite a bit of political courage to say that what has been done was a sin that has been committed. Now we will have to sit down and write the book from the beginning. From the beginning, that is, certain foundations of the political system have to change. Above all, those are the economic powers of the republics and provinces.

What do we have? We have had a discussion concerning the unified market. The term "unified market" does not exist in the economics literature. That is an economic phenomenon of our own. It makes sense to us, since our republics are the national states of the majority nationality which is entitled to an independent economy, and an independent and sovereign economy must have its market. The Yugoslav market is superfluous in that concept. If we want to change the system, we have to change the basic premise of the system and decide whether the economies are national, that is, whether the republics are economically sovereign or by unification they will pass on some of their prerogatives to the Federation. Matters go from one extreme to the other in order to arrive at a third extreme. Branko Horvat has in fact said as much: Go back to the 1963 Constitution. This does not mean that that constitution should be revived, but that the political and economic system should be built according to the design contained in that constitution. The discussion no longer comes down to certain improvements, but to the whole, starting, of course, with the fundamental characteristics of the system. For example, social ownership. What does it mean in operational terms? What does this mean when consistently implemented throughout the entire economic system? What does it mean to say the social nature of income, what does it mean to talk about the planned-market character of the economy? We must consistently go through to the end with those few parameters on which self-management is based. But up to now we have consistently implemented through the political and economic system only the sovereignty of the republics, and we have subordinated all other elements to that. All the other elements can be the subject of social compacts. There is not one of them that is fixed, which is lasting. It is all a matter for agreement among the republics and provinces. In point of fact they conclude agreements about day-to-day current policy, that is, the process of making political deals is an ongoing one, and it is well known that that is a slow piece of machinery. There are a multitude of things to be resolved for an intergovernmental treaty to be made. How is current economic policy to be conducted through such an instrument? That is why those premises of ours that were incorporated into the model and study have to be valid, since when a new economic system is built up from the foundations, it takes some 10 years to build.

Sofija Popov: Now that we have mentioned the idea of the radical possibility of reducing inflation in a short period of time, I think that such ideas are utterly unrealistic, since inflation is not something of the moment; because there were a number of problems it took precedence because of its severity, but it is one of our country's long-term problems. As we know, we have been striving to control it for years, but for years it has become more severe, and it is nonsense to say that it can be solved on a lasting basis without changing the economic system. The best evidence of that is that Yugoslavia has one of the highest inflation rates in the world. There are few countries which have a higher rate except those which have been affected by war and various

revolutionary upheavals. A solution to the problem of inflation cannot be expected without a lasting solution and without changes in the economic system.

As far as I am concerned, there is no willingness at present to change the system, and I think that this is having an essential impact on all relations. Price relations and price changes have to be the basis of all changes. Why in our country is there no willingness even to do that? We still have not created the conditions for the market to really operate. For that to be possible, we have to establish price relations, and the correction of price relations means making a political decision. There is no force whereby such a decision could be made.

A decision to correct price disparities means a new price system. That in turn is related to the distribution of income in order to carry out the concept in the long-range program, which is to link the distribution of income to the rate of accumulation.

EKONOMSKA POLITIKA: The republics and provinces have been mentioned as the principles in the process of reaching agreement and that this is essentially slowing down the entire process. If we have understood correctly, Popov sees the way out in a return to the situation in which those entities would give up their rights to enter into agreements on behalf of the Federation. Still that sounds more like politics than economics. In that context it would be interesting to look at economic entities and at their place in the system.

Popov: My sincere answer is that the solutions to the key problems are not economic, but political. You all know what kind of economic system we ought to have. For instance, it is built into our system that we reach agreement about prices. In the civilized countries the law has prohibited any sort of agreement about prices of producers. We have built up our system just the other way about from the system which has to carry weight for a market economy and a commodity economy.

Another unlikely category is that the republics can be economically sovereign. Indeed under the constitution they are responsible for their own development and for the development of Federation. This is just the opposite of what they have in all other countries. The constitution also incorporated the unified market, but as a mechanism for overcoming the difficulties in concluding social agreements. Accordingly, economic entities are continuing to behave rationally, quite rationally given the conditions. When an enterprise raises its price, that is really all it can do. It would be crazy to aim for productivity, to raise productivity, and to improve its position. Economic entities behave rationally, and the product of that rational behavior is the incurring of losses, differences in rates of exchange, and the situation at the moment. We are driven to that behavior by the system which demands it. Our political system and especially our economic system have not been directed toward the drive for economic efficiency, but toward protecting the interests of the republics and provinces. That is what the system is all about. It has entirely achieved that goal. There is now less trade across republic borders than the trade they have with the countries of western Europe. There is no movement of capital over republic borders, the mobility of labor is prevented, etc. Accordingly, this is where the key problems are now.

EKONOMSKA POLITIKA: Since these problems have arisen because the political system has given so much power to the republics and provinces, a more important question would seem to be: Why does capital not go from one republic to another by the logic of capital, that is, where it will be reproduced, where an increased surplus value will be created? It is a notorious fact that today capital does not even go from one opstina to another, and indeed not even from enterprise to enterprise. By all appearances we should look for the causes in the present concept and practice of economic entities, that is, in the fact that the system was mistaken in defining economic entities. This does not, of course, mean that we are saying that the mechanism for reaching agreement is not complicated, is not slow, and so on; far from it. If rational economic conditions did exist, regardless of what power the republic had under the constitution to be concerned primarily about its own economic development and the development of the Federation, that would not worry economic entities at all, but rather they would be interested above all in pooling their money where they could obtain the largest income.

Popov: That is what I would like as well, but that is not what the prevailing logic is. There are a number of examples which can be taken from the Economic Chamber in which the producers have proposed that they pool their foreign exchange, but the republics were categorically against it.

Oskar Kovac: So far in this conversation we have raised three issues which are interesting and related to one another. The first was how realistic it is to look at the present plan as an opportunity or an instrument related to getting out of the crisis. Second, to me it seems the logical question, although we have not dwelled on it much--What are the ways and mechanisms for getting out of the crisis, and third--What should the economic and political system provide so as to achieve that in some way?

When I said the way of getting out of the crisis, I had two different things in mind. One is that we now need very much some process of invigoration, and that is still far from any purposive and ideally long-term growth. Accordingly, let us treat that 5-year plan as a watershed plan concerning this present state, but certainly we cannot count on any growth with great ambitions in this period.

There is no doubt that the new law on planning has taken a few steps forward, although the problem of the planning entity still remains open. Who is to do the planning? Up to now the planning has been done by the sociopolitical communities--the republics and provinces, and possibly regions within a republic. If we were now to take a poll, as once was done in the Economic Chamber of Yugoslavia, on how far work organizations have gotten in their planning, the results would be amazing. Work organizations do not have plans and do not compile them because plans are binding under law. They are compiled by those work organizations which are driven to draw up something. That is, plans are drawn up by "Crvena Zastava," which has its own program, and I hope some will be compiled according to some of those joint programs which are an innovation in the 5-year plan. Second, I have also heard, and this does not contradict our experience today, if someone today were to collect the plans of the republics and provinces, that would amount to more than the federal plan, which is

regarded as a fiction. To tell the truth, I do not believe that the Federal Executive Council (SIV) or the Bureau of Planning, which is a body of the SIV, are capable of planning low or unsatisfactory growth rates. In that context the key task of this plan is how to use the scanty quantity of resources. We constantly hear that half of accumulation should go for the fuel and power industry, while at the same time we hear that a sizable portion of accumulation is to go for interest, and when we add it all up, it is many times over what that growth can furnish.

Up to now we have had some alternative. The whole problem consisted of having to reconcile total consumption, national consumption, and the social product because of the deficit in the balance of payments, which had to be brought to equilibrium or to show a surplus. Up to now we have done this by reducing consumption, since we have been unable to augment production. I assume that this method of adaptation is exhausted. We cannot enter a new 5-year period and assume that real consumption should decline still more.... (Madzar: It can, it still can.) I say that the Bureau for Planning cannot propose and the Federal Executive Council cannot present that kind of policy and that kind of 5-year plan. In that case the plan is nonsensical, they should resign rather than write such a plan. That deflationary method of adaptation has been exhausted, and it is not possible to offer "blood, sweat, and tears" to the people for the next 5 years.

Accordingly, what has to be done now is to reconcile consumption and production by augmenting production. Of course, there is a large problem here, a bottleneck which is not easy to get by. That step is not even easy to recommend: In order to invigorate production in the short run we have to increase imports in many sectors. Exports are such that they cannot be increased in a short period of time. Accordingly, a growth of imports is a condition for invigorating production just as it is. It will not be better in quality or other aspects, but it could find some kind of a market abroad as it has done up to now, and there are probably also certain forms of demand in Yugoslavia which could be taken advantage of. If I am not mistaken, the funds for targeted housing construction are full, but housing construction is still standing still. There would be no question of any inflationary financing of housing construction, rather the contrary. Nor would that demand, financed in that way, take resources away from exports and the like. These things would not be in conflict with one another.

A growth of imports without an essential growth of exports is possible only if there is a change in the policy--as it is crudely put--of getting rid of the foreign debt. That is, we have to think about whether we want to repay the principal and interest at this rate, or could we put that off a bit and use that portion of domestic accumulation which we do not want to siphon over into repayment in order to invigorate economic growth. I do not see that there is any sort of other room to maneuver unless we want to continue the method we have had up to now, not to increase production, but to cut back consumption.

Accordingly, although it is very difficult to recommend such a step and to thrust Yugoslavia for all practical purposes into postponement of repayment of the debt and a very large amount of interest, which is a serious moral problem

for our experts, I do not see any other way out than less stringent terms for repayment. That would mean that the surplus accumulation would remain in the country, would be invested, would go into a growth of production, and consumption would still be held below that growth of production, and the debt would be serviced out of that. However, until we see a guarantee that the Yugoslav economy will use that accumulation effectively, more effectively than up to now it has used its own and that of others, it is difficult to make the decision. That is, here we come to the question of what will guarantee that the economic entities, behaving rationally in their own interest and the interest of society, will achieve more. Certain changes in the system along those lines are far from ideal, but some are under way. The system of planning has been corrected a bit in principle, or there are chances of its being corrected. Should the package of foreign exchange laws be enacted by the end of the year, an end would be put to one form of dualism in the Yugoslav economy whereby some work for dinars and others for foreign exchange. The law on the banking business also means a step forward, although far from what we wished, so that I in fact still see the biggest problem in the price field.

Madzar: Where is the mobility in pooling and investment?

Kovac: The mobility in pooling and investment is resolved instantaneously by the prices of factors, which we have taken up, interest rates, and the rate of foreign exchange. As far as I am concerned, we do not need any law on expanded reproduction and past labor at all, just as we do not need a law on the unified market. But the problem area of prices if an open one for me from the standpoint of how much must the real economic factors mature so that prices, free prices on the market, do not jump 80 percent a year. That is all. When I see an answer to that question, I will be able to say more or less what will happen with inflation and whether there is a chance to reduce inflation to a tolerable measure. This way inflation is creating the impression that there is some national income, but that it is being taken away from the economy, and that the economy is therefore disenfranchised, and so on. If that were not the case, we would see that the economy is not creating enough income for everything this society needs. We would not say that interest is eating up the income of the economy, but we would say that our economy is not creating the income to cover real interest.

Mladen Kovacevic: I would like to go back to the assessment that we are in a grave crisis from which there is no way out. It would be dangerous to delude ourselves that it is the business cycle that is involved and that we are now bottoming out and there will be a turn for the better according to the nature of those cycles. When we say that the growth of the social product was 1.1 percent over a period of 5 years, then we have to bear in mind that most of it was achieved in the first 2 years. I don't know what growth will be achieved this year. Perhaps zero or minus, since production is up 2.4 percent, agriculture -11.0 percent, construction -7.0 percent, trade -6.0 percent.

At the same time, when we look at the figures of the International Bank, we see that the social product of the advanced countries between 1980 and 1985 grew at a rate of 2.5 percent, that of the developing countries 3.0 percent, while the figures for the socialist countries are close to 3.5 percent. That

is, the world is nevertheless developing, but we have a growth of 1.1 and 0.8 percent.

So, the crisis is serious, and we have not achieved anything. The debt is larger than it was when we came into this planning period. At that time I was fiercely in favor, at Herceg Novi, of our undertaking to reduce the principal, to reduce the debt and to sacrifice a portion of the consumption of the population, which was relatively high. Now the debt is larger than it was, the standard of living has fallen greatly, and the situation in the economy is as it has been described, so that if nothing essential is undertaken by way of treating the causes, this means that we will go on vegetating: -1 percent of the social product. Yet look at what is being planned in the world. The International Bank for Reconstruction and Development has offered two alternatives. A variant of a high growth rate and a variant of a low growth rate. Even the developing countries, which represent our grouping, since we fall more and more in that group, are to achieve a growth of 5.4 percent between 1985 and 1990 according to the variant of the higher growth rate of the domestic social product, while according to the variant of the lower growth rate it would be 4.1 percent.

Our planners probably have that in mind, so that for political or certain other reasons they feel that we cannot adopt lower rates than 4 percent, at least for us to keep up with that group of countries. Of course, it suits the politicians to promise the people more than what is objectively justified. However, when it is up to the planners to say how that is to be achieved, there is not much they can come up with. All they can say is to increase the efficiency of investments several times over. On the basis of what? What entitles us to say that we will increase investments several times over? More or less everything remains the same, the system does not change, and accordingly it is realistic to anticipate that investment efficiency will be what it has been up to now. There are no chances of something essential changing overnight.

At the same time when we look at where the investments should be made, like it or not, we have to mention the fuel and power industry. Although there are many opportunities for us to achieve something with conservation, investments are indispensable, since otherwise we will be in the dark, and production will come to a halt. The fuel and power industry demands immense investments. Even assuming we reached agreement about the fuel and power industry. How are the resources to be furnished? I think that here the typical role of the state is like the one it has in all capitalist countries. The state administers the fuel and power industry, transportation, since if it leaves these sectors to entities below the level of the government, then it is hard going. So, then, there are no further dilemmas--and transportation also has to develop. Europe is more and more going around us in transportation. And it will be doing so more and more.

Our shipping and ships have also lagged far behind. We are now in 26th place with respect to the tonnage of our ships, while before the war we were in 17th place, and in 1972 we were in 19th. The average age of the ships is 17, while 10 is the normal age of ships in the world. Our seaports are horribly backward for modern container transportation.

So, like it or not, we have to invest if Europe is not to detour around us more and more. In addition, these are extremely important sectors for the inflow of foreign exchange. The question is that if we invest in those sectors, and these are sectors which by their nature cannot immediately guarantee a very high growth rate of the social product, where will the resources be found to invest in other sectors which have priority?

Looked at in this way, a great number of other priorities which are mentioned in the plan were obviously referred to for political reasons. There is the problem which Kovac mentioned: Should we undertake to reduce the principal of the debt? That is written down in the plan. That is a difficult dilemma and not just an economic topic. Here, there simply is no economic solution that is superior to the others. I always think that it is normal for us to plan to reduce that debt, to reduce the principal. However, much more important, as Kovac as said, is whether we will use the resources obtained from postponing repayment of the debt in a reasonable way? In this connection I am thinking above all of the low efficiency with which resources are used, and second, if we postpone repayment of \$2 billion, the question arises of how in the years 1991-1992 we will repay what will come due then? This is not just an economic question, but a moral one as well. It is normal for the one who spent those resources to have to repay them to some extent rather than pass the debt on to the generations to come.

Madzar: As for the growth rates, in making certain computations I went back to the inventories and estimated that fictitious component which occurs both in the social product and in accumulation under the conditions of high and accelerated inflation, and I found that while according to the official figures the growth rate was 0.97 percent of the social product between 1979 and 1984, according to my calculations there was a drop if an adjustment is made for that fictitious component of inventories, -1.018 percent. So, we are harboring a belief that there has been an increase, but actually there was a reduction.

The question now is whether we really have any sort of real elements at all for coming out with a growth rate of 4 percent after 5 years not of stagnation, but of decline? Can we rely on any sort of objective, firm, and tangible trend? I think that for the present there are no elements on the horizon that would justify such a projection. In the study of our institute we came out with a lower rate.

It would be best if we had not included any rate at all. However, we were unable to do so, since the study was specifically devoted to projections, and projections signify a rate. I therefore think it would be best if we did not fool around with rates at all, but undertake action and specific moves.

In this connection I go back to the dilemma of repaying the debt. I think that in our society and economy there is a mechanism which is a bit perverse and consists of the following: Whenever any amount of resources is left over, and if we should lessen the pressure of servicing the debt by, say, repaying a portion of the principal, what remains is automatically eaten up. It is like some enormous vacuum which pulls resources in the direction of consumption

with unrestrainable force, since we have created an immense superstructure which costs a great deal. We have set up relations in distribution in such a way that there are many channels through which resources can be piped into personal incomes, into consumption. And that is why I am inclined to agree to some extent with Kovacevic's suggestion, or I would rather say intuition, that it would perhaps be better for us to be a bit more concerned about repaying the debt.

It seems to me that there is no better alternative on the horizon for investment of resources than to repay those debts. Of course, in saying this I am aware of what Oskar Kovac is saying, that unless we increase imports a bit, our economy would be hampered and the machinery would begin to squeak. So, a postponement of repayment could possibly come into consideration on a moderate scale in some operational and short-term context, but when we are talking about a period of 3-5 years, I think that we have to look toward a partial reduction of that debt.

Nikola Zelic: It is a fact that those employed in the socialized sector of the economy are carrying the burden of lessening the debt and of some sort of additional accumulation. Our system of distribution is such that it yields extreme solutions: It is either so mild that it can be considered nonexistent (taxes), or on the other hand prohibitive and coming down hard on the small shoemakers, tailors, and the like. Here, there should be a redistribution on behalf of an additional source of accumulation both on economic grounds and moral and ethical grounds, and I think that there is a potential here which has not yet been tapped.

The question arises, however, assuming that we provide additional accumulation, regardless of where it comes from, at the end of the so-called first phase of the Long-Range Economic Stabilization Program, will we come into contact with an economic atmosphere that will guarantee that when the dinar or the dollar goes into the process of reproduction it will pass through the entire process of reproduction so that maximum benefit is derived from it and it comes back not diminished, but augmented? I think that that is the essence of the problem.

When the first phase of the Long-Range Economic Stabilization Program is completed, there is no guarantee that the dinar, the dollar, and the mark--capital, will not stumble at many points on its way and that many will not brush up against it, so that it will come back diminished. Why do I say that? Because it is felt that we have regulated distribution because we have adopted some social compact, that we have regulated prices, that we have regulated planning. However, it can be shown that certain essential steps at all those points through which the dinar (or dollar) passes in the system of expanded reproduction have not been made.

There is still no guarantee whatsoever that the dinar will be mobilized, even if the banking system were regulated, no guarantee how efficient investment will be or even that it will be efficient at all.

Second, there is no guarantee that untapped internal potential will be used overnight in our enterprises, at the present level of resources, which is what the planners anticipate, and there will be additional accumulation at a growth rate of 4.5 percent. There is nothing specifically said in the Long-Range Program... about that microorganization, or about microself-management institutionalization within work organizations, within basic organizations, and so on. I do not see that there will be any change with respect to a change in the role of the management function in enterprises. I do not see that anything will be done toward a clearer definition of who is the entrepreneur here, who is now going to come forth to work out the best variant for use of the dinar.

Madzar: The basic question is who will take the risk?

We have not solved that in conceptual terms. Which means that even if everything we have enumerated were to be ideally settled, if the same ownership arrangement were to stay in place, I am profoundly convinced that we would not be able to achieve results and we would again come up against the same problems. In saying this I am referring above all to the fact that the risk in business decisionmaking still does not fall on the property of those making the decisions, but on certain social resources, and in that kind of situation there is no way whatsoever whereby a rational attitude toward risk can be predominant in our economy.

I likewise think that under the present ownership arrangements collectives cannot be sufficiently motivated to expand social property. On the contrary, they are motivated to divide up the largest possible personal incomes, and then out of their personal incomes to expand their own property, their own ownership, that is, something which is theirs and which they can pass on to their heirs, and so on.

I think that among other things we will have to look for a solution in the direction of changing property relations and creating a situation where if things do not go well within an enterprise, or a wrong decision is made, every employee will feel it, but not merely in terms of a reduction of his personal income, but his property must also be at risk and must suffer, just like in capitalism of the classical, but also the modern type. When someone making a decision makes a mistake, then it is not only his current income which suffers, since that is not enough, but he also has to pay for it with his property.

At the same time, it is indispensable to create an incentive for expansion of social property, and if that incentive is to be operative, it has to be individualized in the sense that a sizable portion of resources should be the actual property of those employed, so that when someone retires he can take his portion with him. So, a coexistence of socialized and private ownership within the organization, and so when bad times come for the enterprise, there are certain consequences of decisions that were not thought through, and the property of the people employed there would be the first to feel it. I think that this is extremely important and that only in this way is it possible to create a rational attitude toward risk and the necessary responsibility in decisionmaking. We have been talking a very great deal about how the workers

are not sufficiently involved in the process of self-management decisionmaking and that any way you cut it the professional management structures have been somehow usurping that right, but we have not asked ourselves to what extent that function of theirs is imposed by the logic of the situation and by the logic of the system in which things are now taking place. I think that if the situation were somewhat different, and if the consequences of decisions affected their property, or affected their property at least in part, they would have a different attitude and would attempt to fight to have a certain influence in the decisionmaking process. This way they very easily turn this over into the hands of the professional management structures.

Zelic: We have talked about that risk on several occasions and attempted to provide the rationale and create a scheme as to who would bear the risk in our context. In our system the risk should be borne primarily by professional management structures, although even these people do not have any great property or stock, but they do have their professional reputation, and once somebody gets into a mess as a manager, as the manager of an enterprise, he drops down on the "rating" list. However, there is no absolute remedy, since we are talking about a different kind of social ownership and a different concept of social ownership, but certain improvements are possible, along with the argument that our individual, even the one who has no property, does have something to risk in the form of his personal income.

Kovac: The problem is obvious and the attitude toward social resources is not what it ought to be, since there is no real penalty for wrong decisions. I am not certain whether this has to be fully resolved through the person's own attitude or through other solutions. A tightening of the attitude toward social resources by the very fact that resources will have their real price means something, and second, the attitude toward the work organization that has losses, if the possibility of covering the losses from the joint risk funds of the sociopolitical communities is excluded. All of that is intended in a way to strengthen responsibility for those social resources.

If a man bears responsibility for wrong decisions not only in terms of his personal income, but also his job, and if an enterprise has to cut back its volume of production, the size of its labor force, because of losses, if it has to lay people off, then probably the level of responsibility will be higher and the degree of a man's risk for wrong decisions will also be greater, except for those who sit on the fence.

EKONOMSKA POLITIKA: If we have 1.03 million unemployed, it is difficult to imagine a social community--an opstina or a republic--which will allow a factory with 1,000 people to go into receivership or for the employees to receive the guaranteed personal income between 16,000 and 17,000 dinars from the joint reserve fund, when rent, for example, is what it is today.

Kovac: [Line of text partially omitted]...is not done, it will not be able to employ 1 million unemployed.

Madzar: Why, for example, at the School of Economics doesn't a new regime begin on the basis of some law that would apply to the entire country whereby

you will not receive your full salary of 6 million, but only 5 million, and 1 million will go into certain funds? You will be the owner of that, but it has to stay there in case the School of Economics makes some mistake, and the loss is first made up out of that. And then year after year some transitional regime would, of course, be necessary, those funds would be built up and would constitute a kind of reserve fund owned by the employees, who would be the first to suffer when it came time to pay the consequences.

Zelic: I think that the type of ownership is completely irrelevant in a system of doing business. I would reduce the problem to this or that organizational form, to a particular job being done by a greater or smaller number of people. If with the measures of economic policy you place those people under the same conditions so that the basic premise is that there is no exploitation, then it is completely irrelevant whether those people work in a cooperative and realize some kind of income at the rate of 5 million per person, or they work in a factory and again receive a monthly salary of 5 million. Accordingly, the line between social ownership and private ownership can be appropriately erased in that sense.

As for the risk, here we have to make an analogy with the Western economies and ask who in those economies actually bears the risk for an investment decision that was wrong from the outset, a wrongly chosen production program, a market that was wrongly selected, and so on? They have paid professionals--managers. That is their professional risk, and if they fall on that ladder, no one will hire them again to do those jobs, but they will find jobs in the minor leagues, there are jobs of another kind than what they did.

EKONOMSKA POLITIKA: In that system there is the titleholder of the property who bears the risk of business decisions.

Kovacevic: Why is it that some people in the field of politics do not want to change this system? There are presumably economic grounds. But I think that there is another reason, and that is that the politicians have been creating a system which, to be sure, is profoundly humanistic, but which is superior only from the standpoint of its humanism. At the same time the economists want to impose a typically economic system which will put pressure on people, which will punish them, will pronounce penalties, and so on. Perhaps we could immediately ask whether we truly should adopt any system which will put pressure on people, which will lay workers off, which will close down collectives if there is no future. I would say that we can set up a system which is independent of the world, but the problem is that we get into autarky. The contemporary world will not put up with our inefficiency.

Madzar: I think that it is a false dilemma about whether we are humanistic or not, whether the socialized sector will be driven out to take its chances in the weather. Our Yugoslav people are working in two sectors, in the socialized and private sectors. The private sector has been exposed to the weather all the time. If we can subject one portion of the people to that harsh regime, I do not see why the other portion shouldn't share the same fate.

The essential thing is to resolve that dilemma on the plane of principle as to why one portion of the people should be privileged because they are employed in the socialized sector. After all, for a long time the ratio of the income of the socialized sector to the income in the private sector was 2:1, while in a normal social community that would cause a great revolt. This is a profound moral question. For 30 years we have slept well with a good conscience, and now the issue is truly being raised of why those rules of the game should not be changed, especially since hard times have come, and we can no longer support the luxury of holding one sector like a drop of water on our palm, while we leave the other to all the risks and come down on it with the measures of economic policy in an extremely intolerable way.

Kovac: On that I agree. I think that in this society the person who is working with someone else's resources, which are, of course, social resources, must bear the same responsibility as the person who works with his own resources. In the joint stock companies in the West the risk is not borne by the worker with his property, but it is borne by the stockholders, and the workers are the last to be the stockholders. Accordingly, that is not a problem. In mixed economies there are cases where the government is the principal stockholder, and it still functions like any other enterprise. The gist of it is that if the worker or the work organization in which he is making decisions looks upon social property as resources entrusted to him for reproduction, as is the case in capitalist enterprises, then the attitude toward those resources would be different. It seems that the problem is that we are not yet willing as a society to accept all the consequences of a normal market relation. It is not just a question of the loss of personal income, but also of the laying off of workers.

Madzar: As matters now stand, there are no prospects for the situation to undergo any appreciable change. I think the question of how long we are going to believe that we have a basically good system, when at the same time we are achieving a growth rate which is perhaps the lowest in Europe, will be posed more and more and with ever greater firmness and insistence. I think that those bitter facts will have to have a sobering effect.

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ECONOMY

YUGOSLAVIA

RETAIL TRADE SUFFERING FROM SYSTEMIC POLICIES

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 4 Nov 85 p 5

[Editorial: "Neither a Service Center Nor a Monopoly"]

[Text] Probably the adverse effects resulting from the economic system and the material shortages are in no other sector of the economy so obvious as in the trade sector. Along with a drop in the real volume of sales, which this year have dropped to the level of 10 years ago, the size of the labor force in the trade sector has been growing as it has in other businesses; personal incomes in retail trade have been dropping off drastically, there is hardly any accumulation, and "own" working capital has been entirely exhausted under the impact of inflation and forced investment in so-called long-term loans, so that retail trade today covers only 4 percent of its merchandise inventories with its own business fund and the resources pooled in the trade sector on a long-term basis by other economic organizations. Are these not sufficiently convincing grounds for undertaking without delay a change in the present features of the system and for making possible some sort of normal business operation of the trade sector through one-time material interventions (redistribution of property)?

Numerous analyses, statements of position and proposals which are already winning out over those who see the trade sector as a necessary evil which can be minimized only by consistent implementation of the concept of mandatory pooling of labor and resources and by prescribing sales margins demonstrate that changes are inevitable, that the present system of mandatory pooling of trade organizations with production organizations, which has reduced the commercial organization to an economically unmotivated agent working on commission, has to be abandoned, that the way prices are set in the trade sector must be put on a par with the one that applies to production organizations and other organizations (according to the conditions of the market). The proposal of the Federal Executive Council for more rapid and consistent implementation of the Long-Range Economic Stabilization Program and the report of the General Trade Association of Yugoslavia entitled "The Place and Role of Trade in the Socio-economic System," which is to be placed before the Federal Social Council for Economic Development and Economic Policy, also show that things are moving in that direction. The dominant commitment both in the proposals of the Federal Executive Council and the statements of position by the General Trade Association of Yugoslavia is that the effective functioning of the Yugoslav market

requires that the trade sector be treated on the same footing with other economic activities, and that means freedom to establish ties and enter into association, free choice of trading partners, and the free setting of prices.

The features of the system and the measures of economic policy have taken retail trade back to the situation of some 20 years ago from the material standpoint. Its socioeconomic function has been driven back even more. It has become a supply activity, relying primarily on local production organizations, especially in the sector for foodstuffs. It is no rarity, especially in large centers of consumption, for commercial organizations trading in foodstuffs to enjoy a monopoly position on the market thanks to the policy of representatives of local sociopolitical communities and organizations, which is oriented toward favoring local producers. Commercial organizations do not obtain any sort of material privileges from that monopoly position. The only losers are the individual consumers, and even the profit of the production organizations (because of a captive market) is only apparent, since quality and overall business economy are being neglected.

The situation in the trade sector with respect to resources and their source is untenable. Last year retail trade covered only 4.1 percent of merchandise inventories with its own resources and resources pooled on a long-term basis. The situation is not essentially different either in wholesale trade or foreign trade--wholesale trade covered 7.3 percent of its inventories, and foreign trade 12.2 percent. In certain lines of the retail trade (food and general goods) there is an absolute shortage of working capital, which means that a portion of working capital and long-term outlays are covered with the short-term bank credits. That is why merchandise inventories owned by production organizations and goods received for sale on commission are growing in the trade sector. The problem is not just that the trade sector has been forced to pass on the financing of inventories to the producers. It is a greater problem that the trade sector is losing interest in making a choice of goods and producers according to the requirements of the market.

Because of the chronic shortage of working capital the trade sector has turned to a great extent toward the use of short-term bank credit, the credit of production organizations, and toward simple late payment. Commercial organizations are burdened with interest on credits, and that expense cannot be covered out of the difference in the price, since again this year the price has been prescribed. Foreign trade organizations are an exception. Although even they do not have working capital of their own, they have been managing to pay the cost of interest almost entirely out of revenues collected from interest. This is evidence of their privileged position in the present arrangements of the economic system. There is other evidence as well. The personal income per worker in foreign trade last year was 62 percent higher than the average for the economy, net income per worker was 227 percent higher, and accumulation all of 567 percent higher. This means that regulations on mandatory pooling (they apply to foreign trade and to wholesale trade) have not yielded results. Instead of rationalization, there has been an increase in the number of organizations of associated labor for foreign trade, especially those established within production organizations.

Wholesale trade is also oversized. That is another consequence of the features of the system and the measures of economic policy. It is quite understandable that in a period of shortages of goods and prescribed price margins, a large number of unnecessary wholesale organizations would necessarily be created in production organizations of associated labor. This has also expanded trade involving a large number of middlemen. It follows that the present law on mandatory merger of commercial and production organizations should be rescinded, which does not mean that independent trade capital should be created and should exist completely separate, since that is not consistent with the economic pattern manifested in the market economy. The process of pooling will develop depending on what the new economic system is based on. If economic organizations are motivated to conserve resources, if the principle of division of the remainder of net income on the basis of the amount of pooled resources is affirmed, then there will not be any commercial capital that stands apart.

Even today the trade sector, using the excuse that there is a need to consolidate, to specialize and to optimize business from the standpoint of society as a whole, is asking for reinforcement of the existing privileges (a tightening of the administrative conditions necessary for registering a foreign trade organization) and the formation of new ones (abolishing the requirement of a commercial department, minimal sales or a minimum size of staff as a condition for a wholesale trade organization to register). In a market economy such administrative restrictions can only be harmful. Fuller liberalization of regulations on the conduct of exporting and importing and wholesale trade is inevitable. There is no justification for production organizations to have to export their own products or to import for their own needs exclusively through an organization registered for exporting and importing, since from an economic standpoint this is an inefficient solution. It is up to the production organization itself to decide whether it will export or import directly without an intermediary or whether it is more efficient for it to employ a specialized exporter and importer for those transactions. Finally, the demands for free association and the free setting of prices in trade cannot go hand in hand with demands for consolidation and expansion of existing privileges which the government is guaranteeing the large commercial organizations.

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CSO: 2800/63

POLITICS

BULGARIA

DELEGATION ATTENDS JAPANESE PARTY CONGRESS

BCP Greetings

AU221558 Sofia RABOTNICHESKO DELO in Bulgarian 21 Nov 85 p 4

[Text] Tokyo, 20 November (BTA correspondent)--This is the second day of the 17th Congress of the Japan Communist Party being held in the town of Atami.

The leaders of the attending delegations of communist and workers parties are submitting greetings messages to the Japanese communists. Niko Yakhiel, leader of the Bulgarian delegation and member of the BCP Central Committee, submitted the greetings of the BCP Central Committee. The message states that the BCP Central Committee and Todor Zhivkov, its general secretary, personally convey the most sincere congratulations to the delegates and guests attending the 17th Congress of the Japan Communist Party, as well as wishes for successful work.

The Bulgarian Communists, the Bulgarian people, have feelings of solidarity for the Japanese Communists, for the workers' class, and for all working people in your country, the greetings message of the BCP Central Committee states.

People in Bulgaria are well acquainted with the consistent actions of the Japan Communist Party in defending the vital interests of the working people, in the struggle for democracy and social progress. We appreciate highly the indefatigable efforts of Japanese Communists in the struggle for peace, against the country's militarization, for halting the nuclear arms race and for banning nuclear arms, the BCP Central Committee greetings message stresses.

The 17th Congress of the Japan Communist Party is proceeding in an international atmosphere which continues to be extremely complicated and tense because of the policy of super-rearmament, pursued by the aggressive forces of North American imperialism and its allies.

The Washington "star wars" program has aggravated the international situation even more and represents a real danger to the existence of human civilization. In the Asian and Pacific zone as well, the United States is accelerating the modernization of the existing military bases and is considerably increasing the number of such new bases, for the purpose of bringing their armaments, including their missile nuclear weapons, closer to the territory of the USSR and of the other socialist countries.

The socialist Warsaw Pact states adopted a declaration in Sofia recently which contains specific proposals for eliminating the danger of nuclear conflict, for preventing the militarization of outer space and for limiting nuclear arms until their full destruction. This is a realistic program of wide scope which creates a basis for achieving a change for the better in the present development of the international situation, the greetings message points out.

The working people in socialist Bulgaria, rallied around the Leninist general policy of the BCP, are worthily preparing for the forthcoming 13th BCP Congress in an atmosphere of political and working enthusiasm. This congress will consolidate the basic trends for the further socialist construction of the country, the greetings message further emphasizes and describes the successes in building a developed socialist society in our country.

The People's Republic of Bulgaria is an inseparable part of the socialist community. It actively participates in the struggle for disarmament and peace, the greetings message further points out. Our foreign policy is focused on the efforts of strengthening understanding and mutually advantageous cooperation with all countries and peoples, on the efforts of transforming the Balkan peninsula into a nuclear-free zone. The BCP CC greetings message recalls the meeting between the first leaders of our two parties in May 1985. This meeting opened new opportunities for cooperation and mutual relations between the BCP and the Japan Communist Party.

We are convinced that the relations between our two parties will become even more intense and meaningful in forthcoming years in the interest of both the Bulgarian and Japanese peoples, as well as for the sake of international communist solidarity, for the sake of peace and social progress, the BCP greetings message states in conclusion.

Delegation's Return

AD021625 Sofia Domestic Service in Bulgarian 1600 GMT 2 Dec 85

[Text] A BCP delegation which took part in the 17th Congress of the Japanese Communist Party returned from Japan today. It was led by Niko Yakhiel, member of the BCP Central Committee.

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POLITICS

BULGARIA

KURDZHALI BCP SECRETARY ON OKRUG'S PROGRESS

AU171926 [Editorial Report] Sofia RABOTNICHESKO DELO in Bulgarian 16 December 1985 carries on page 3 a 2,100-word report by Georgi Tanev, first secretary of the Kurdzhali Okrug BCP Committee, on the successes achieved in industrial, social, educational, and cultural fields in the implementation of the decisions of the 12th BCP Congress in the okrug. The tone is set in the first paragraph:

"Accelerated development of the economy in every conurbation system, qualitatively altered conditions of life in every population center and in every family, the broad scope of the revival process--these are the main results achieved by the Kurdzhali Okrug party organization following the 12th BCP Congress. They are the law-governed consequence of the workers' striving to master and apply in practice the bold innovative ideas of the BCP Central Committee and its general secretary Todor Zhivkov."

Tanev notes that this renewal drew strength from the example set by the Soviet metallurgists in the Rhodopes, but was principally due to the BCP's April line: "People accepted it as their own fate, as a dream of many generations come true for labor and progress, for equality and social security, and by their concerted labor they have revived [vuzrodkha] the region of the Eastern Rhodopes. The age-old aspirations for human dignity, for the natural right of executed testament. In overcoming the pain from the tragic [word indistinct] in parting company with the past's grievous accumulations, the optimism of renewal rises up and triumphs."

Tanev continues by giving data on manufacturing, industrialization, capital investment, industrial, and housing construction successes in Kurdzhali Okrug achieved during the Eighth 5-Year Plan. Tanev reports production increases in agriculture, noting: "Our land is dry, mountainous, and poor, but the Rhodopes people are tied to it by fate. With new cultivations the agricultural workers are today changing their native region into a blossoming garden."

Tanev then stresses: "The concern of the party shelters the creative zeal of the okrug's toilers. In the conurbation systems ever better opportunities are being created for training the youth of the Rhodopes and for enabling them to express themselves. In the last 7-8 years alone about 8,000

machine-building workers have been trained. The okrug is a leader in the demand for and purchase of Bulgarian fiction. As well as the professional creative collectives, amateur performers from Avren, Zhultusha, Kirkovo, Byal Izvor, Ivaylovgrad, and Kurdzhali are conquering numerous admirers with the charm of the Rhodopes song, with the joyous rhythms of the Bulgarian folkdances. The world champion weightlifter Naum Shalamanov is a source of patriot pride and a model for youth. The dynamics of the socialist transformations has produced and is producing its heroes in labor and culture, in study and in sport."

Tanev concludes by underlining that "It is a source of optimism and faith that, in the struggle to build a developed socialist society in our native land, the contribution of the Rhodopes people, with their steadfast work to equal the best models will stand out in ever sharper relief. As a clear bubbling stream, issuing as it were from the depths of the Rhodopes and directed by the party's April wisdom, the renewal will acquire fresh impetus after the 13th BCP Congress."

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POLITICS

BULGARIA

ZHIVKOV RECEIVES NEW AMBASSADORS' CREDENTIALS

AU171859 Sofia BTA in English 1750 GMT 17 Dec 85

[Text] Sofia, December 17 (BTA)—Today, Mr Todor Zhivkov, president of the State Council, received the first ambassador of Guinea-Bissau to Bulgaria Mr. Arafan Ansu Camara, who presented his credentials to him.

Noting that the relations between Bulgaria and Guinea-Bissau are in the process of formation, Mr. Todor Zhivkov stressed the presence of good will and possibilities for their promotion and expanding.

He gave a high assessment to the contribution of the African Party for the Independence of Guinea and Cape Verde (PAIGC) and of the Government of Guinea-Bissau to the struggle of the African peoples for the complete liberation of the continent from colonialism and for the elimination of racism and apartheid.

The ambassador of Guinea-Bissau expressed gratitude to Bulgaria for the support which she renders to his country in its national restoration.

Mr. Todor Zhivkov, president of the State Council, received the newly appointed ambassador of Sudan to Bulgaria Mr. Amado Muhammad Dhiyab.

During the credentials presenting ceremony, Mr. Todor Zhivkov stressed that Bulgaria supports the positive changes taking place in Sudan. He joined the wish expressed by the Sudanese side and promote Bulgaro-Sudanese friendly relations.

Mr. Todor Zhivkov, president of the State Council, received the credentials of the newly appointed ambassador of Thailand to Bulgaria, Ukrit Duriyaphromma. Mr. Todor Zhivkov expressed his belief that the realization of the possibilities for the further promotion of the relations between Bulgaria and Thailand will be in the interests of the two peoples and will serve the cause of peace, international understanding and cooperation.

On his part the ambassador noted the considerable progress in the relations between the two countries and stressed the possibilities for their deepening.

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POLITICS

BULGARIA

REPORTAGE ON ANTONOV TRIAL

Evidence on TIR Truck

AU291112 Sofia BTA in English 2222 GMT 28 Nov 85

[Text] Rome, November 28 (BTA correspondent)--Today's session of the court was devoted to the revelation of the facts in connection with the notorious Bulgarian T.I.R., which according to the prosecution had to take the assailants out of Italy. But before that two other witnesses were interrogated who had to confirm or deny the presence of Sergey Antonov in the office of "Balkan" in Rome on May 13, 1981, in the afternoon at the time when the assassination attempt against the Pope had been done.

The Bulgarian citizen Svetlana Vasileva Parisi, who had worked in the Rome agency of "Balkantourist" at that time, confirmed that in the afternoon hours of May 13, Sergey Antonov had been present at his working place, that at the same time Silva Petrova and Tsvetana Blagoeva had also been there, that they had learnt about the attempt on the life of the Pope from the mother of Silva Petrova, who had been visiting Rome then, i.e., things which have already been said by the other witnesses.

With the help of a rather poor and incomplete translation, the witness explained how she had made the mistake to say that Rositsa Antonova had been in the office of "Balkan" during that day.

"Because during that period Rositsa was in Rome, helping a little, without considering the exact dates, at first I rather hastily said that she had been in Rome, but after that in calmer condition I remembered that she had departed before that and so I went to inform the investigating judge about this fact," said the witness.

It is interesting to know why the presiding judge is so anxious to make out that Rositsa Antonova has been in Rome at that time, when Agca himself has already recanted his allegations, that he had been in Antonov's house and that his wife has also been there, and stated that he had never seen nor known her.

A new evidence, given by an Italian citizen, clarified the question whether Antonov had known English Roberto Pancari, who had been an advertising agent at that time and had contacts with "Balkantourist," said that he had known Antonov and that he had never heard him speak in English. "He spoke only a little Italian," said the witness.

Then came the turn of the custom's examinations of the T.I.R. truck which had arrived from Sofia with alcohol bottles for the embassy. The former custom-house employee Giovanna Catena, retired at present, and the custom-house officers Alfredo Albarano and Epifanio Scalera, were interrogated consecutively.

Giovanna Catena did not remember any details from that days [as received] because she had not been directly engaged with the reception of the truck.

The other two officers provided more information. Alfredo Albarano confirmed the information he had given during the investigation. Once again he retold how and at what time on May 12, 1981, they went to make custom's examination of the truck of the Bulgarian Embassy. The witness had been accompanied by his colleague Scalera and by the financial clerk Maurizio Lucchetta. He explained that he had controlled the unloading of the truck, but despite the insistence of the embassy for loading again and stamping of the truck on the same day, he had refused because he did not have the permission for that. He had the impression that the embassy had been hurrying and wanting the truck to leave on the same day--May 12.

This is an exceptionally important evidence, because according to the prosecution the truck had come with the special purpose for taking the terrorists after the attempt on May 13. And it is evident that only because the custom-house officer had refused to stamp the truck on the same day, it has remained for the next day--May 13.

The presiding judge, evidently disappointed by Albarano's testimony, suddenly asks him a tricky question. "Was there anything strange in the truck, like mattresses or a special air conditioning installation? Had the truck any window?"

Alas, nothing had been provided for the convenience of the eventual refugees-conspirators! The witness answered that the truck had been a completely covered wagon, had not any windows but only a hind door, had not had any airconditioning and mattresses.

By the questions of the Counsel for the Defence Consolo it became clear that the stamp of every truck is examined at the border, and if any truck comes unstamped or with a broken stamp, immediate measures are taken. When a T.I.R. truck comes from abroad it is stamped at the border. The witness Albarano said also that the custom-house formalities were not a secret and other persons can find out about them.

Consolo insists on recording in the protocol that the truck had been parked in front of the entry of the Bulgarian Embassy, in a narrow street, that there is another embassy on the other side of the street and two shops working all day. He wanted to clarify the fact that any activity around the stamped truck should have been noticed and insisted on inspecting of the very place.

More complicated and even sometimes stormy, was the interrogation of the witness Epifanio Scalera, also a custom house officer. He had attended the unloading of the truck in front of the embassy. The stamps had been examined. The T.I.R. had been a covered wagon, without any windows. Many people from the embassy had attended the unloading. They had lunched together in a restaurant, several people: the witness, his colleague Albarano, Mr. Luchhetta from the finance police, the Bulgarian driver, who had driven them to the embassy and one other man.

This moment also deserves to be underlined. Because the man unknown to the witness is Todor Ayvazon, who had to carry out the custom's clearance and loading of the T.I.R., the one for whom Agca had alleged that at these very hours he had been at St. Peter's Square.

Scalera has also attended the T.I.R. on May 13, in order to stamp the newly loaded truck. He remembers that he had stamped 43 packages and finally stamped the truck itself. It is routine custom's work for him. The request from the Bulgarian Embassy had been received in the morning of May 13, and he had been sent to make the custom's examination.

The presiding judge asks whether stamps are often forged.

The witness: "I have been working in the custom-house for 40 years and I don't know about any case of forgery. We have pliers with the state stamp and a number. There cannot be any forgery."

The prosecutor tries to clarify a subtle difference in the evidence. The witness Tsvetana Blagoeva maintains that she has been at the custom-house and remembers this officer. The witness said that he had not seen her. "If she had come to the custom-house she could have seen me, but I may not have seen her," says Epifanio Scalera. He also confirmed the fact that the embassy had wanted the truck to be stamped as early as May 12, so that it could return faster to Bulgaria, but his colleague Albarano had refused because he had not had an order.

The Counsel for the Defence Consolo pointed out that the three witnesses Scalera, Albarano and Lucchetta, had unanimously stated that the embassy had wanted to settle the custom clearance of the lorry and its departure, as early as May 12.

How should Agca and his accomplices have run away with the Bulgarian truck, as they had planned their criminal action for May 13? What can be a more strong evidence than that, that between the Bulgarian T.I.R. and the event on St. Peter's Square there is not any connection, except the sheer accident, that because of the refusal of the custom-house officers it has been forced to remain one day more in Rome, till the fatal May 13.

The only place in Scalera's evidence, which made the presiding judge and the prosecutor react, was the difference which appeared in the specifying of the time for his work with the T.I.R. on May 13.

At the investigation the witness had said that he had ended the stamping till 7 p.m., and now before the court he said that he had worked till 1 p.m., and a little later he said that it had been 4 or 4:30 p.m. This inaccuracy of his memory provoked a sharp reproach on behalf of the presiding judge. Several times Scalera wanted to explain what exactly these differences mean, but angered, the presiding Judge Santiapichi did not let him speak.

During the afternoon session the interrogation of Scalera continued and his colleague Albarano was called for a confrontation with him. The Counsel for the Defence Consolo requested from them to explain whether it was possible an embassy's appeal for custom's clearance of a truck to be fulfilled with a few days delay because of the custom-house. The witnesses replied that this was not only possible but it happened very often. Thus it became clear for the unprejudiced observers that it would have been impossible for the Bulgarians to synchronize the days and hours of the departure of the T.I.R. truck, as the unsubstantiated thesis of the prosecution has stated. The interrogation of these witnesses was adjourned, till some additional documents for the custom's clearance be presented to the court.

Tomorrow the trial will continue its work. The court will interrogate as witness Ali Batman, the new chairman of the Federation of the Turkish Idealists in Western Europe, who has replaced Musa Serdar Celeb.

BTA Reports on Trial

AU121028 Sofia BTA in English 2152 GMT 11 Dec 85

[Text] Rome, December 11 (BTA correspondent)--If it had not been for the journalistic dispatch from New York, today's session of the court on the trial on the assassination attempt against the pope, once again would have been only like a colorless negative in the archives. The correspondent of the Naples newspaper MATTINO informed about the interview he had taken from the much talked about ex-secret agent of the Italian secret services SISMI--Francesco Pazienza, who had been held in New York.

The Investigating Magistrate Martella, who had carried out the inquest against Antonov and the other villified Bulgarians, and who had brought the inquest to an extraordinary badly fabricated and justictically unfounded trial, recently has been assigned to carry out the third investigation on the same assassination attempt against the Pope. More curious is the fact that the third investigation is held exactly at this moment when the time for the outcome of results of the second trial on the attempt against the pope has come.

Nevertheless, the counsels for the defence presented the interview, which Pazienza had given just before he had been taken for interrogation, and requested that it should be attached to the document of the trial.

"I can say that the entire story with Agca is a machination. I have nothing to do with him," Pazienza insisted to point out.

Explaining which one of the SISMI's chiefs had wanted to revenge and discredit him, Pazienza had said: "Agca is only a spokesman on those who pull the wires. He speaks only the things which others want him to say. For example: This complicity of the Bulgarians in the attempt. This is a real mockery. Everybody knows that I was, among other things, agent of SISMI," stressed Pazienza. You should excuse me, but if the KGB had wanted to kill the pope, definitely they were not going to use the services of a degraded person like Agca.... The story about the terrorist game had been invented by Claire Sterling. The deeper we go into this story, which is only a buffoonery, the more we see the fragility of certain structures in the Italian state..."

Question: "In short, you think that the whole story with Ali Agca is a fabrication?"

Pazienza: "Everything is a lie."

At today's session of the court, the Counsel for the Defence Larussa requested that Francesco Pazienza should be summoned as a witness. Then the Counsel for the Defence Consolo took the floor. He said: "I want to underline another moment. It is rather strange that an Italian investigating-magistrate, who has already held an inquiry into this trial and has not reached any concrete results, now takes part in the third investigation. And that is exactly at the time of the trial in Rome. I don't know who had taken this decision, but nobody has informed the court that Martella will go on a mission.... This decision affects the rights of the defence and it is an insult to the legal proceedings. At the same time it violates the rights of the prosecution."

Consolo supported the request for the summoning of Pazienza as a witness.

The prosecutor did not miss this chance to present another additional request of his. He agreed about the summoning of Pazienza as a witness, but in exchange he requested the interrogation of a number of witnesses, who have been long forgotten. Among them he mentioned the names of Alexandre de Marenche, ex-director of the French secret services, Arnad de Borchgrave and many others.

Three witnesses were interrogated during the morning session of the court. The first one—Carlo Patrizio, who had worked in the Italian airlines in Rome and had known Antonov personally, stated that they always had spoken only in Italian and that according to him Antonov had not known English language.

"In the beginning I have tried to speak in English to him," said the witness "but he always said 'No, no, no, no, Italian.'" Patrizio pointed out that Antonov could fulfill his work without having a command of English language.

The witness Franco Garcino, ex-warrant officer from the security guard of the prison, at present serving a sentence as a Camorrist, alleged that: He had hardly known Agca, he had never spoken with him, he had not known that the Camorrists had brought presents for Agca. The cell of Agca had been controlled with television cameras, but he had not known why the director of the prison had ordered this. The guard had been isolated from his prisoner to such an extent that he had not seen any visits, even those which had been admitted by the

representatives of the secret services, or the visit of the bishop. The witness said that the priest of the prison had visited Agca only four or five times during the whole time, while Santini himself confessed to have visited the prisoner not less than two times a week.

Worthy of mentioning was the only confession of the ex-Warrant Officer Guaracino that he had known about the order issued by the then-director of the prison that everybody who had wanted should be admitted to visit Cutolo (the chief of the new Camorra), who served his sentence in that prison at that time. He also remembered that certain persons like Colonel Belmonte, from SISMI, Alberto Dita, and many others had visited Cutolo several times, and had talked with him in the office of the director.

The Counsel for the Defence Consolo stressed the fact which was conveyed by the witness, that many people had visited "Ascoli Piceno" Prison and that they had entered inside the prison without establishing their identity or without any pass.

This important information was confirmed by the next witness--Di Sabato. He had been a warrant officer from the prison entrance guard. He had also been informed about the order of the director for letting in anybody who wanted to visit Cutolo. That is why he had not asked for documents the visitors of the Camorrist but had only informed the director about it. Di Sabato also had not seen and had not understood that two agents of the secret services SISMI and SISDF, had visited the prison and had talked for a few hours with Agca on December 29, 1981.

The witness Cosimo Giordano, ex-director of the prison in Ascoli Piceno, was interrogated at the afternoon session of the court. Evidently, Giordano had decided to deny everything connected with Agca, Pandico Cutolo. But in the stream of denials he made several essential, from procedural point of view, confessions. For example he stated that the prison section of Agca consisted of three cells. One of them had been occupied by the Turkish terrorist and the other two had been occupied by the Italian terrorists Senzani and De Murtas. The distance between the cells had been very small and the three of them had the possibility to communicate verbally. This is a very important fact in support of the thesis that Senzani had played a certain role in the improvement of Agca's Italian language.

Giordano confirmed that Colonel Belmonte from Super SISMI and his retinue, had often visited Cutolo in the April-July period of 1981, including the time when Agca had already been in this prison. The orders to admit this visitors had been received by the director of the prison over the telephone from the Ministry of Justice. But there are not any documents about them. The only inscription in the register had been subsequently removed by the Warrant Officer Di Sabato. Nothing else was left to the presiding judge but to draw the logical conclusion that other persons (naturally not just anybody, but related to the secret services) had been able to visit the prison in this way, without leaving any discrediting documents.

The most substantial contradiction in Giordano's evidence was indicated by the Counsel for the Defence Prof. Consolo. At first the witness denied the fact that the transference of Cutolo to another prison had been postponed. But then, pressed by the questions of the defence, he confessed that he had been summoned to Rome and there he had been given an order for the transference of Cutolo. Two days after that this order had been cancelled over the telephone. This had happened in March 1982, and it follows from this that it coincides with the evidence of Giovanni Pandico. The counsel for the Defence Consolo stressed that the witness suppressed certain facts. The court resolved immediately to demand the document for the transference of Cutolo and after that to arrange a confrontation between Giordano and the Warrant Officer Guaracino.

Evidence to Clear Antonov

AU121815 Sofia BTA in English 1713 GMT 12 Dec 85

[Text] Paris, December 12 (BTA correspondent)—The French lawyer Mr Christian Roulette, who had gained popularity in France and other countries for his two books on the anti-Bulgarian provocation in connection with the assassination attempt against Pope John Paul II, has received a letter from Francesco Pazienza, a former employee of the Italian secret services currently detained in the United States.

Pazienza wrote in his letter: "Mr Roulette, I have not yet had an opportunity to read your book on the 'Bulgarian connection.' Naturally, I do know that there you write of me as the person who has formulated the brilliant idea of coaching Ali Agca into spinning the well-knit yarn about the Bulgarians..."

Further on, Francesco Pazienza cites evidence of the way the "Bulgarian connection" had been concocted.

The lawyer Christian Roulette has sent the following declaration to Severino Santiapichi, president of the Rome criminal court hearing the second trial for the assassination attempt against Pope John Paul II:

"Mr President, in the course of the trial for the attempt on the life of Pope John Paul II, mention has been made of my book "The Connection." I have formulated in it some assumptions and hypotheses. Since September 1984 and especially since the opening of the Rome trial in May 1985, diverse pieces of testimonial evidence have substantiated these hypotheses. The documents I have received from a number of journalists have enabled me to compile a second "dossier" which was published in France as a book entitled "The Trial."

"As a result of this second book, Mr Francesco Pazienza (currently held in custody in the United States) informed me that he had deposited a dossier in Paris which provides a most detailed elucidation of the origin of the "Bulgarian connection" and gives an accurate description of the persons who have misled the international community and the Italian Judiciary by turning Mehmet Ali Agca into a gunman hired by the secret services of the socialist countries.

"I have already had an opportunity to get familiar with this dossier.

"I am prepared to report to the court in Rome in order to submit to the judicial panel all facts proving that Sergey Antonov and the other Bulgarian citizens are unjustly and groundlessly charged with complicity in the May 13, 1981 attack on Pope John Paul II.

"With due respect, I place myself at the disposal of the court presided over by you."

Reports on Gen Musumeci

AU121809 Sofia BTA in English 1726 GMT 12 Dec 85

[Text] Rome, December 12 (BTA correspondent)—This morning's session of the court trying the case of the papal shooting was probably the shortest yet. The court sought to confirm whether Gen Musumeci had visited the Ascoli Piceno Prison or whether (as he has alleged) he had never been to this town.

The court interrogated two carabinieri, who had worked in Ascoli Piceno in 1981. The first of them, Sgt. Pietro Picani told the jury that one August day in 1981 a powerful car coming from Ascoli Piceno and travelling in the direction of Rome had [word indistinct] and those inside had warned him about the suspicious actions of certain youths. The latter had been transferring something from one car to another and could have been involved in a robbery. There had been three people in the car, one of whom had come out of the car and shown the sergeant his service card. He had said his name, which the sergeant did not remember. However, the thought that the name had not been Musumeci.

The other officer Erminio Barberini, however, remembered that there had been a bank robbery and that he had been called to investigate. His colleague Picani had then told him of the large car with long antennas, and of the person who had come out of it and introduced himself as Gen. Musumeci of the carabinieri.

Both of them claimed to have sent a report on the case to their superior.

Journalists' interest today was focused on another event: the announcement of new disclosures about super SISMI's subversive activities and the arrest warrants issued for 16 persons, among whom are Gen. Musumeci, Francesco Pazienza, Col. Giuseppe Belmo and Licio Gelli, the grand master of the P-2 Masonic Lodge, charged with the staging of the Bologna Railway Station bombing which killed 85 people and wounded more than 200.

The names of some of these people have been referred to in connection with the trial in the papal shooting and have come to the fore during the last few days.

While Musumeci was called to testify before the Rome court, attention was now focused on Pazienza. Today's Italian papers feature the sensational news that Pazienza has sent a power of attorney to the French lawyer Christian Roulette which the latter is to use to receive from a bank safe deposit vault documents that throw light on the backstage machinations related to the so-called "Bulgarian connection."

Bias of Trial Attacked

AU030916 Sofia NARODNA ARMIYA in Bulgarian 30 Nov 85 p 4

[Lt. Col. Eng. Lyubomir Mikhaylov commentary: "At the Rome Trial: In Contradiction to the Requirements for Impartiality"]

[Text] Monday, 25 November, was the third anniversary of the arrest of the innocent Bulgarian citizen Sergey Antonov, and on Thursday the Rome Criminal Court, which is hearing the second case concerning the assassination attempt on the pope, recorded its 60th session. We note these two dates and the cheerless balance sheets connected with them in order to remind readers once again of a monstrous charge devoid of any factual support whatsoever, a charge which the proceedings of the Rome trial to date have been shown to be a brazen lie.

This is already the fourth year during which our fellow-countryman Sergey Antonov has been the victim of a trumped-up false charge, but a charge which is still standing and has been maintained with amazing persistence. Throughout the whole of this period the name of the arrested Bulgarian has been exploited for a slanderous campaign, unprecedented in its substance, against the People's Republic of Bulgaria and other socialist countries. The "proofs" of various "defenders of the truth" have collapsed one after another, and the indignation of broad sections of public opinion have been unable to influence the malicious game of the slanderers. The arrows of disinformation have been aimed at various details and objectives, but always in the direction desired by the most reactionary circles in the west.

So far no open road has been afforded for the truth, but obstructions are deliberately placed in its way both by the chief slanderer, the murderer Agca, and by the guardians of Italian justice—prosecutor Marini and Judge Santiapichi, as well as by those who are directing their present behavior from behind the scenes.

From 25 November 1982 to this day nothing has changed. The truth of the complete innocence of Antonov, Ayvazov, and Vasilev is the same as it was 3 years ago. Regrettably, the monstrous charge is still being sustained on the lies of a completely discredited terrorist, although it is already clear as day to millions of people who is supporting the slanderous version and for what purpose.

The news of the past 7 days confirm the above. After a lengthy recess, the trial was resumed on Tuesday in the "foro italico" hall, with the window blinds drawn down. The interruption lasted for 18 days, of which only 7 were used to carry out an international judicial assignment in Turkey, during which all the lies of the slanderer Agca were once again categorically refuted.

At the same time, certain features of the court's activities make a particular impression. After 5 months of procrastination a decision was finally taken to hear the evidence of the Camora member Giovanni Pandico, who in June made revelations in the ESPRESSO journal concerning Agca's manipulation in the Ascoli Piceno Prison at the hands of the Camorra and the subversive "super SISMI" group of General Pietro Musumeci and the crooked dealer Francesco Pazienza. None of the latter, however, was summoned as a witness in this case.

Unworthy was the decision of the court to devote only 2 (!) days to the interrogation of the witnesses called by the defence, whereas the prosecution witnesses were allowed 6 months. This enormous imbalance is greater than it seems--in practice only a few hours are provided to hear the other interested party. This is a normal vivid example of the "impartiality" and "democratic nature" of Western justice.

This truth was also confirmed at the last two sessions, when a number of witnesses--Italian and foreign, who confirmed Antonov's alibi for 13 May 1981, were harshly warned and threatened by Marini and Santiapichi. This has already become recurrent tactic which the Roman magistrates keep to, in blatant contradiction of the elementary requirements of impartiality. This approach gives rise to a well-founded concern that they do not think that the evidence of witnesses who do not support the thesis of the charge should be taken into consideration.

The Bulgarian people, including also the soldiers of the Bulgarian People's Army, believe that in the final event justice will prevail. This confidence is based on the complete innocence of the Bulgarian citizens, which the Italian court is bound to confirm.

Pandico, Matrone Testify

AU040919 Sofia BTA in English 2245 GMT 3 Dec 85

[Text] Rome, December 3 (BTA Spec. correspondent Mira Todorova and BTA correspondent Khristo Petrov)--At today's session, Giovanni Pandico confirmed the evidence he had given for the ESPRESSO magazine and during the 1983 preliminary inquest for the trial of the Camorra in Naples of the visits paid to Agca in prison by leaders of the well-known subversive group "super SISMI." Agca was visited by representatives of the Italian secret services and he signed a declaration to cooperate with them by accusing Bulgarian nationals of complicity in the attempt on the life of the Pope.

Pandico's words sounded clearly in the tense silence of the courtroom. This is the great sensation of the trial. This is the real connection! This is the source of the suffering of an innocent man and of the unprecedented provocation against Bulgaria!

Agca took part in the confrontation declaring at very beginning with the impudence characteristic of him: "I want this confrontation to end because I have no intention of coming tomorrow."

During the Pandico's account, Agca repeatedly interrupted him shouting hysterically that he renounces Pandico's evidence.

Giovanni Pandico set forth a detailed account of how it came to Agca's recruitment to the anti-Bulgarian campaign. He said that in January-February 1982 at the Ascoli Piceno Prison, where he was serving a sentence, he and his friend Raffaele Cutolo learned that an attempt was being planned on the life of Cutolo which was to be fulfilled during his transfer to another prison. Alarmed they asked for immediate contact with General Pietro Musumeci from the subversive group "Super SISMI" who knew Cutolo. General Musumeci came to the prison accompanied by another person. During the conversation with the two Camorrista he promised to postpone the date of the transfer-- March 2, in return for a small service. The service was to convince Agca, whom they already knew and whom they aided with food and clothes, to cooperate with "Super SISMI." General Musumeci proposed for Agca to sign a declaration in this sense. They went together to the cell of the Turkish terrorist and set forth the proposal before him. He agreed to cooperate. Pandico and Cutolo remained in touch with Agca through the prison's priest Mariano Santini who kept them informed of Agca's intentions. From the priest they learned that Musumeci had visited Agca for a second time accompanied by the other "super SISMI" agent Francesco Pazienza.

In the course of the interrogation it became clear that at first the two Camorrista contacted Agca and rendered him material aid because they planned to use him later as a hired killer in their service in the prison. It was specified that as early as the night conversation in the prison Musumeci had said that Agca should be convinced to accuse the Bulgarians and the Russians of complicity in the attempt on the life of the Pope.

"We," Pandico said, "were only interested in the postponement of Cutolo's transfer so that he would not get killed and therefore we said "What do we care about the Bulgarians, we agree to convince Agca."

In a few days the two of them went to Agca's cell again in order to strengthen his intention of fulfilling the promise he had given to Musumeci. Pandico was left with the impression that General Musumeci had already made attempts to get in touch with Agca.

Tomorrow the interrogation of Pandico will continue.

The morning session was devoted to the interrogation of Sabato Matrone, who worked as a person in charge of the flights of the Turkish Airways in Rome. Notwithstanding the numerous and repeated questions of the presiding judge, Sabato Matrone said that he had never heard the Bulgarian national talk English and that the two of them had communicated in Italian whenever it was necessary.

The Turkish journalist Ugur Mumcu was also interrogated and confronted with the defendant Musa Serdar Celebi. The confrontation turned into a monotonous listing of statements but both Agca and Mumcu adhered to their own stands. Excerpts from the evidence Mumcu gave before the Investigating Magistrate were read. He was questioned about Agca's contacts with the other Turks whose names were mentioned at the trial. The witness confessed that he had obtained most of his information from the press or from other trials which had taken place in Turkey.

Anniversary of Antonov Arrest Noted

AU302140 [Editorial Report] Sofia RABOTNICHESKO DELO in Bulgarian on 26 November 1985 carries on page 4, about 3,000 words of materials on the third anniversary of Sergey Antonov's arrest in Rome, under the headline: "In Contradiction to Humanitarianism and Justice." The materials include an introductory editorial note entitled: "Justice Must Be Triumphant" in which the arrest of an "innocent man" on 25 November 1982 is described as provoked by an "avalanche of monstrous slanders." The editorial note goes on to say that the "accusation against Antonov is maintained with amazing stubbornness" although it has "no factual support whatsoever" and stressed that the trial in Rome has become "an unprecedented campaign of slanders against the People's Republic of Bulgaria and the other socialist countries." Describing how all "alleged proofs" are collapsing one after the other at the trial, the editorial note adds that "the poisonous arrow of disinformation were aimed always in the direction desired by the most reactionary Western circles."

The editorial note stresses that the accusations against Antonov and the other Bulgarian citizens are "based on the lies of an arrogant terrorist" although "millions of people are already aware of the authors of this slanderous version and of their motivations." The editorial note closes with the following sentence: "The Bulgarian public is confident that justice will be triumphant in the end and this confidence is based on the full innocence of the Bulgarian citizens, with the Italian court is obliged to confirm."

The editorial noted is followed by a report signed by Dimitur Trifonov and entitled: "Hopes That the Truth Will Be Victorious" describing a young people's meeting at the "Lilyana Dimitrova" youth club in Sofia at which the anniversary of Antonov's arrest was marked, and a political discussion at the "meridian" youth club also in Sofia, which was attended by members of the national Antonov Defense Committee. A documentary film of the BCC on the Antonov case was shown at this meeting, which was followed by a discussion. According to Trifonov the film's title was "Bulgarian Fantash" and it is attributed to [Christopher Hurd]. The meeting was also attended by Antonov's mother and brother.

BTA reports from Moscow, Nicosia, and Prague under the headline: "Freedom for Sergey Antonov" are also included in the page, describing press reaction in those countries on the third anniversary of Antonov's arrest, as well as activities of the local defense committees and a letter of the WPTU from the headquarters of this organization in Prague to Italian Premier Bettino Craxi, pleading for the release of Antonov," who is a member of the Bulgarian Trade Union of Transportation Workers."

The last item on the same page is a 1,200-word article by Geno Georgiev, entitled: "Justice and Politics" with the subtitle: "Constitutional Guarantees of the Italian Magistrate and Their Present-day 'Interpretation.'"

The article refers to Italian constitutional law as regards questions of procedure in law courts, including the principle of the irreplaceability of judges as well as regarding the questions of the Italian courts' "independence" and "autonomous character." The author adds that this is an "extremely sensitive subject for the Italian public, due to numerous negative social phenomena." Geno Georgiev then describes the well-known cases of the Masonic Lodge's involvement with the mafia, and other cases of corruption in Italian public life, acts of terrorism and assassinations of public figures. The article closes with the following passage:

"These are the realities of today. The widespread organized crime and terrorism in Italy are frequently connected with the protection of highly placed, administrative, judicial, and political circles, which is confirmed by examples, showing that in the contemporary bourgeois state the judicial system is nothing but a lever of bourgeois power."

The aforementioned article does not refer to the Antonov case and to the Rome trial specifically.

Antonov Trial Reported

AU071548 Sofia BTA in English 2349 GMT 6 Dec 85

[Text] Rome, December 6 (BTA correspondent)--The visit of representatives of the two Italian secret services SISMI in the "Ascoli Piceno" prison during the end of December 1981, their talks with the terrorist, had been nothing else but a favour to the investigation. At least, this was the explanation of the ex-director of SISMI (Italian Ministry Intelligence Service) General Nino Lugaresi, at today's session of the Roman Court on the trial on the assassination attempt against the Pope.

If we want to keep the chronology, first, we must represent the evidence of another high ranking official in the secret services--Emanuele de Francesco, ex-director of SISDE (Secret Service for Intelligence and Democratic Security With the Ministry of the Interior). The explanations which were given by Emanuele de Francesco are as follows: On November 4, 1981, a letter had come in the Ministry of Internal Affairs (later General Lugaresi specified that the letter had been sent by the director of the police). The letter requested each of the two services--SISMI and SISDE, to send one of their representatives in "Ascoli Piceno" prison, because the convicted Turkish terrorist Mehmet Ali Agca had wanted to speak and make some new revelations.

Both witnesses stated, one after the other, that this step had been undertaken by the Ministry of Internal Affairs, because of a request by the investigating authorities.

General Lugaresi, who after the tremors caused by the revelations for participation of some of his high ranking officials in the conspiratorial lodge P-2, had been concerned with the setting in order of the secret services within the frameworks on the constitutional principles, in the beginning had hesitated to carry out this request. By the way, it contradicts with the stipulation of the law that no one, except the investigating authorities, has the right to contact with a prisoner sentenced to life. But the then-minister of the interior had personally called the general and persuaded him to help in this case, because this had been a request of Agca.

Too much unconvincing were the statements of the two witnesses, that the aim of their visit had been to check the measures for security and along with that to speak with Agca. What security measures? Emanuele de Francesco surrendered to pressure and said that the problem of security had nothing to do with their services. And what is more, both witnesses had explicitly pointed out that they had been invited to speak with Agca and not to check the doorlock of his cell. This invented preliminary explanation for the presence of representatives of the secret services in the prison, left a very unpleasant impression.

Sergey Antonov's counsel for the defence Consolo, insisted on an explanation of the fact: Why in the report, given by the two secret service men to the investigating authorities, they speak about "talks," and not as it is maintained at present, only for one talk on December 29, 1981. The witnesses said that the talk had been only one, but very long, and because it had been led from the name of the two services, it had been mentioned as "talks" in the report.

Very interesting is the question which was put to Emanuele de Francesco, whether he had given any directions to Luigi Bonagura or whether he had empowered him to make certain promises to Agca.

The witness: I had not empowered anybody. But may be the official had promised something himself. He was a high ranking one and he knew his job."

During the interrogation of Nino Lugaresi it was found out that the talk with Agca had been carried out with the help of an interpreter in English. He also explained that General Musumeci, head of a department in SISMI (one of the leaders of the parallel secret service super-SISMI) had been removed from his post in 1981, because of his participation in the Mason Lodge P-2. The presiding Judge Santiapichi familiarized the witness with the evidence of the ex-Camorrist Giovanni Pandico, that General Musumeci had visited the prison in the end of January and the beginning of February 1982, and that he had asked Agca for cooperation, i.e., to accuse the Bulgarians of complicity in the assault. He pointed out that during the other trials it had been revealed that some of the secret service men had carried out commissions of other secret services.

The ex-director of SISMI General Lugaresi, wanted to stress only that Musumeci had not acted from the name of his service. But he admitted the possibility that such activity could have been carried out by certain persons, but the official services had not been informed about that. About the visit of Musumeci he had read in the press but at that time neither Musumeci nor Pacienca, nor General Santovito (the previous director of SISMI) had worked

in the official Military Intelligence Service. And once again he said: "But I do not maintain that certain people had not visited the prison. If there had been any visits in Ascoli Piceno, they had been paid by someone as a private person. Except, if somebody had not hired them for such a visit." [sentence as received]

Reasonably, the prosecutor became interested how did it happen that the secret services had not deepened their interest in the international terrorist, who had stated his intention to make "revelations."

Nino Lugaresi answered that he had been informed about the report by his employee Alessandro Petrucelli and his colleague from SISDE Luigi Bonagura, made for the investigating authorities.

"We considered that the talk had been requested by the prisoner, so that he could contact with the secret services and reach some agreement which would enable him to receive something in exchange for this cooperation.... But," said General Nino Lugaresi, "in a state like ours this cannot happen.... I estimated that the request for a talk with our services as a signal, given by the prisoner, and I was not interested in this case any more."

The presiding Judge Santiapichi detected the unusual position of the witness and asked him how had it happened that an institution, whose task is to seek a way to the truth, had blocked the way to this truth in the case of Agca. "On the basis of the report of the two secret service officials, it is not clear what were the guarantees that Agca wanted," said Santiapichi. "Your representative, also informs that during the meeting he has spoken about a reprieve or lessening of the sentence."

The witness Lugaresi admitted: "It was unnatural for our services to carry out a meeting with Agca. The investigation had to estimate the results of the talks in the prison. I cannot see what could the military secret services and the counter-espionage have in common with the work of the investigating magistrates. I remained with the impression that Agca had wanted to reveal something only after the promise that he will receive something else in exchange."

The lawyers Consolo and Rosi tried to specify whether the investigation had requested the participation of the secret services or vice versa, the secret services had requested a meeting with Agca and after that they had informed the because in the document which states the grounds for the visit to "Ascoli Piceno" it is written that the secret services had requested a visit for urgent examination of the security. The witness Lugaresi said: "The official request was sent to us by the director of the police supported by the minister of internal affairs." [as printed]

The session ended with the repeated interrogation of several witnesses in connection with the work of the custom authorities with the Bulgarian TIR truck. The custom-house officers Scalera and Alba and [words indistinct] and defended their former testimony and emphasized that on May 12, when the clearance of the imported goods had been made, and on May 13, when export custom clearance of

the Bulgarian truck had been done, everything had been done in accordance with the orders of their chiefs, everything had been in accordance with the law and beyond any doubt. Only Lucchetta—representative of the financial police at the customs, provoked some doubt with his allegations that he had also been in the Bulgarian Embassy on May 13, although the presence of the financial police during the custom clearance of goods for export is not necessary. This fact caused a prolonged interrogation which confused the witness Lucchetta completely. Exhausted he said: "Now I cannot understand any of the things that happen."

The prosecutor wanted to have all the documents related to the custom-house operations in connection with the TIR truck, so that he could peruse them in peace and take up an attitude on this question.

Maybe the presiding Judge Santiapichi was most near to the truth, when once he said with a sigh: "Maybe we create problems for ourselves with this TIR truck, which are of no importance to this trial."

Spasov Optimistic

AU051324 Sofia BTA in English 1243 GMT 5 Dec 85

[Text] Sofia, December 5 (BTA)--"The possibilities for getting at the truth are in the hands of the court," under this heading today's NORODNA ARMIYA carries an article by Professor Boris Spasov, chairman of the National Committee for Sergey Antonov.

The author points out that the progressive world public is reasonably disturbed by the course of the second trial in Rome on the assassination attempt against the Pope, which has turned into a gross political provocation against Bulgaria and other socialist countries, against peace and detente. "There are enough reasons already, for drawing the conclusion that well known and many times exposed dark centrals and specialized services of the anti-communist imperialist forces are standing behind this trial," emphasizes the renowned jurist.

In of [as received] his words Professor Spasov quotes a number of violations and deviations from the normal court procedures, starting from the very beginning to court of the three Bulgarian citizens without the necessary proof for that, from neglecting the presumption of innocence and reaching to the conspicuous biased attitude of the court in support of the groundless prosecution. "On the whole the course of the trial makes the impression that there exists a definite purposeness [as received] in the choice and usage of the evidence motivated by the created prejudice for the existence of some "Bulgarian connection" in the organization and carrying out of the attempt. At the same time the court disregards the really existing tracks, which lead to certain centrals of the imperialist ideological subversion and to special services and countries of NATO, stresses Prof. Boris Spasov.

The lack of whatever damning evidence against the three Bulgarians, the fading of the clues upon which the trial has been built, and the real denouncing of Agca's version of the so-called "Bulgarian connection" in the attempt, make Prof. Boris Spasov believe, that the trial in Rome will end with the exculpation of the three Bulgarian citizens. "But this optimism, based on the conviction and knowledge about the innocence of the Bulgarian citizens, should be wareli [as received] in spite of everything, because this trial is not based on jurist motives and reasons, but mainly on political grounds," stresses Professor Spasov. Just because of these reasons and because of the expectations for near completion of the trial he stresses the necessity for stirring the conscience of the public in Italy and the other non-socialist countries, for finding out the truth. And it is only one, namely that no Bulgarian citizens, no Bulgarian services or services of any other socialist country, has taken part in the attempt.

"It is this truth that has to be discovered," concludes Prof. Spasov. "The possibilities for this exist and they are in the hands of the court. The court has only to fulfill its functions because they are envisaged by the Italian law."

Trial Continues

AU301432 Sofia BTA in English 2145 GMT 29 Nov 85

[Text] Rome, November 29 (BTA Spec. Corr. Mira Todorova and BTA corr. Khristo Petrov)--The atmosphere on today's hearing of the Rome criminal court was strained by a sudden mini-accusatory speech made by Prosecutor Antonio Marini and the response of Sergey Antonov's Council for the Defence Prof. Guiseppe Consolo.

Putting forth a request for a confrontation between the two customs officials who were interrogated yesterday and the witness Tsvetana Blagoeva-Biagioni, the prosecutor became so carried away with his argumentation that he began an open accusatory speech against the witnesses who prove Antonov's and Ayvazov's alibi.

In order to ground his thesis he allowed himself to manipulate "freely" with the evidence given by the witnesses which led to its total misrepresentation.

Here we would like to note that from the beginning of the trial to the present day in their interrogations of witnesses proving the innocence of the Bulgarian nations the judge and the prosecutor have concentrated on totally insignificant details, and were mainly preoccupied with the time of the events. They demanded from the witnesses not only the year, month, date and hour but also the minute of events which have taken place two years prior to the first interrogations of the investigating magistrate and almost five years prior to the trial. What is the reason for this clinging to details which can easily fade away in the minds of the witnesses? What is more, as one of the witnesses put it "if I had known that I would be interrogated at a trial I would have entered a detailed record of the events which took place during these days in a note book."

This resentment shown to the testimony of all witnesses proving the alibi and hence the innocence of the Bulgarian defendants can have only one explanation--the total absence of incriminating facts, of materially documented data pointing to the guilt of the Bulgarians.

Antonov's counsel for the defense could not pass this manoeuvre of the prosecution in silence. Point by point he disproved the allegations of the prosecutor about the untrustworthiness of the evidence given by Sergey Antonov and by some of his witnesses. The counsel for the defence stressed that Sergey Antonov had called the investigating magistrate to tell him that he had remembered that his wife had left Rome before May 13, 1981 and that this had happened at a regular interrogation. To the contrary, Agca has asked for a special meeting with the investigating magistrate in order to confess that his initial evidence about Rositsa Antonova was not true and that he had never seen her. The lawyer appealed to the prosecutor to adhere to the procedural reality and not to contend that Mrs Svetla Parizi had said that Rositsa was present at the Ballan Airways office on the day of the attempt when she had actually stated the opposite. Not to contend that Mr. Parizi had said that Rositas was present when he had stated the opposite.

"I can well understand the difficulties of the prosecutor," Antonov's counsel for the defence said. "Because the supporting of an accusation which is as empty as a balloon requires great efforts. But I would like to ask him to read the documentation on this case and not to make statements without having read it. And I would also like to ask him to quote the facts and documents accurately and not to assert things which, alas, do not correspond to the truth."

The interrogations of the new witnesses today concentrated on some of the circumstances around the bicycle shipment made by the Bulgarian Embassy on May 11, 1981 in order to determine the hours during which Todor Ayvazov was busy on that day. One of the witnesses, the Italian customs official Maurizio Luchetta, said that he had seen Ayvazov at the customs on May 12 and that he had driven him to the embassy in his own car.

The remaining two hours of the morning session were devoted to the interrogation of Ali Batman, president of the so-called Federation of Turkish Idealists and its vice-president at the time of the attempt. In the long but more or less fruitless interrogation, the presiding judge tried to determine whether the witness knew Agca and other rightist Turkish activists. Batman confessed that he knew Celebi and Catli. He had worked with them in Turkey, he had met them later in Vienna before the attempt and he had spoken with them over the phone after the attempt. Catli had assured him that the reports in the newspapers, namely that he had provided Agca with a false passport and with a gun were not true. He had assured him that it was not true that they were connected with the Bulgarians. Since a number of moments of interest to the court and the prosecutor remained unclarified and contradict the evidence of other witnesses the interrogation of Batman will continue.

After today's hearing the number of witnesses who have given evidence before the court in Rome has amounted to 54 people. Yet another seven witnesses have been interrogated abroad. New witnesses will be interrogated on December 2, 3 and 4.

The interrogation of the Camorrist Giovanni Pandico is awaited with great interest. In the interview he gave for the L'ESPRESSO weekly in June, Giovanni Pandico said that Agca was visited in the Ascoli Piceno prison by leaders of the subversive group "Super Sismi" who had given him the script for the "Bulgarian Connection." Whether the court will summon the two "Super Sismi" agents General Pietro Musumeci and Francesco Pazienza as witnesses will depend on the results of this interrogation.

Rome Trial, Evidence on Bulgarian Truck

AU021940 Sofia BTA in English 1906 GMT 2 Dec 85

[Text] Rome, December 2 (BTA correspondent)--At today's session of the court several witnesses were interrogated. Some of them described the apartment of Todor Ayvazov in Rome, others spoke about their acquaintance with Major Zhelvo Vasilev.

The witness Katya Vasileva Gyoreva, concierge in the block of flats of the Bulgarian Embassy, explained that Ayvazov had not had a telephone in his apartment and that if someone had called him from outside he had to go and speak from another telephone.

The witness Anna d'Arbeloff Guerrieri, theatrical agent, confirmed the fact that on May 13, 1981, there had been a press conference and a cocktail party of the Bulgarian Embassy.

All these facts, by the way, were irrefutable. The atmosphere changed when four witnesses were called for confrontation together. The question which had to be resolved was: Was Todor Ayvazov engaged on May 12 and May 13, 1981, with the custom clearance of the Bulgarian TIR truck, which transported spirits for the Bulgarian embassies in some European capitals, in connection with the celebration of 1300th anniversary of Bulgaria? (We remind that the dates are very important because on May 13th was the assassination attempt against the life of the Pope, and on May 12th there had been a reconnaissance of St. Peter's Square as Agca alleges, and according to him Ayvazov allegedly had taken part in it.

The Bulgarian TIR truck once again has come to the fore. It, according to the allegations of the Turkish terrorist, had to take him and his accomplices out of Italy.

Both the court and the investigation had tried to make clear the circumstances in connection with the truck during the two days in May, 1981. The first confused answers, the first discrepancy in the evidence of one and the same witness showed up in the court room.

While the confronted Albarano and Scalera, as well as the witness Tsvetana Blagoeva, maintained the evidence they had given up till now, the witness Lucchetta from the financial police of the customs, started to change his evidence, adding some things which had come to his mind.

We must explain that as early as the very beginning of the interrogation Lucchetta was worried and frightened. During the interrogation he said that he had been "crushed physically and mentally" as early as the time of the interrogation of the investigating magistrate Martella, when Martella had ordered his one day arrest (without any grounds, as the counsel for the defense Consolo interjected). Now, obviously with disordered nerves, Lucchetta answers to the questions of the presiding judge and the prosecutor, at one moment one thing, at another moment other thing, sometimes almost incoherently.

In the middle of the confrontation he was taken ill and received medical aid during the break. As a non-commissioned officer of the financial police, it seems that Lucchetta feels humiliated from this interrogation, which he thinks is discrediting him. Nevertheless the [as received] all comes to the following:

Albarano and Scalera confirm that Todor Ayvazov has called them to make the custom clearance of the Bulgarian TIR truck at the Bulgarian Embassy on May 12, 1985 [as received], and they have been there.

They state that the Bulgarian Embassy have wanted the truck to be loaded immediately, the proceedings for export to be made, the truck to be stamped and to depart as early as May 12. But this could not happen without the orders of their chiefs and the proceedings had been postponed for the next day. Both did not deny the possibility that Blagoeva may have been there, but they did not remember whether she had accompanied Ayvazov at the custom house.

The representative of the financial police Lucchetta on the other hand remembers for Blagoeva now, remembers the tickets for petrol which she has given to Ayvazov to offer to him because they travelled with his personal car. (During the investigation he has forgotten these facts.) He explains that the other two custom house officers have not seen or paid attention to Blagoeva because they have travelled in the mini-bus of the embassy, and Ayvazov and Blagoeva-- in his car. And because Lucchetta revealed these facts only now, and not before the investigating judge, the presiding judge and the prosecutor started a pressing interrogation, even sometimes almost threatened him.

"I don't like to detain people," said the presiding judge: "But you are still holding your office, aren't you? So you must make the necessary conclusions..."

Suddenly, after the break, Lucchetta started to put in new "facts" into his evidence. He alleged that he had gone to the embassy on May 13 also, while up till now he had said that he had been there only on May 12, because it is not necessary for an officer of the financial police to be present when there is an export of goods. Then he said that he had gone to customs clear a truck [as printed] in the Bulgarian Embassy, once again after a week, and then once more. These are facts which could not be accepted by the court, because it has

been established for sure that no other trucks have come neither during that month, nor during the next months. It is evident that the witness was utterly confused by the cross examinations, that his psyche is unstable, and confused by the threatening tone of the judges.

The witness started to maintain that on May 13, when he had gone to the embassy the TIR had not been there, and there had been another truck with awning. On the whole--a complete confusion of images and remembrances. However, the two other custom house officers confirmed that Lucchetta had not been in the Bulgarian Embassy on May 13, and that the TIR truck had been on his place customs cleared for export and stamped.

Press Comments on Antonov Trial

AU091730 Sofia BTA in English 1512 GMT 9 Dec 85

[Text] Sofia, December 9 (BTA)--Today's papers carry a number of materials analysing various aspects of the so-called "Antonov Trial." In an interview for KOOPERATINO SELO academician Vladimir Kudryavtsev, director of the Soviet Institute for State and Law, says that there is not another precedent in which a foreign citizen to have been kept in custody for such a long time before the very trial, as well as during the trial itself. The interviewed explains the long detention of the Bulgarian citizen Sergey Antonov in the following way: On one hand this is an attempt for keeping the public in suspense for a longer time, aiming at warming up the anti-socialist and anti-communist feelings in Italy, as well as in the other Western countries. On the other hand, the organizers of the court room farce were not able to find any evidence whatsoever, for any blame of the Bulgarian citizen. "In [as printed] think that if they had any clues whatsoever, there would not have been any prolonging of the trial," says Vladimir Kudryavtsev. He points out that the organizers of the provocation are in a complicated situation, because to sentence anyone without any evidence is difficult for technical reasons, and from jurist point of view it is completely impossible.

Academician Vladimir Kudryavtsev sees biased attitude in the actions of the Italian justice. Facts: First the very attitude towards Sergey Antonov, which is a gross violation of human rights and the internationally acknowledged legal norms. Second--there is nothing to prove that the Italian justice is striving to reveal the truth about the attempt on the pope's life and the authors of the "Bulgarian Connection." The interview stresses that Sergey Antonov has been charged as a terrorist, with the sole aim to present him to the public as a dangerous criminal, who should not be released on bail or permitted to return to his motherland.

Academician Vladimir Kudryavtsev marked the attempts of the Italian justice to put Antonov on the same footing with Agca, to place Antonov on the same level with Agca, which should mean that the Bulgarian is as dangerous criminal as Agca. According to the distinguished Soviet jurist such actions can be explained only as a biased attitude and unprecedented committing of outrages over a foreign citizen.

The interviewed compared the situation of Antonov to that of hostages kidnapped by terrorists. Why? Because he is being forced to give evidence, which would have been a slander against his own country. In exchange he has been promised that his situation will be relieved. "The only difference lies in the fact that in this case the hostage has official character," stresses academician Vladimir Kudravytsev.

The director of the Institute for State and Law with the Soviet Academy of Science, thinks that the international public should be informed extensively on the trial in Rome, because there are certain attempts at present, which try to conceal the real facts, to distort the actual situation, to deceive the public in Italy and in the whole world, so that in the end it might become possible to sentence Antonov.

In the same newspaper the chairman of the Soviet National Defence Committee for Sergey Antonov, Vladimir Karpov, editor in chief of the literary magazine NOVY MIR, stressed that the development of the trial in Rome up till now is a proof for the inobjective attitude of the Italian justice towards the trial. It has become apparent that the aim of the trial is to give jurist and moral "justification" of the malicious fabrication for the inexistent complicity of the socialist countries in international terrorism.

RABOTNICHESKO DELO dwells on the recent moments in the course of the trial in Rome. The testimony of the Camorrist Giovanni Pandico is commented firstly: The article stresses the strange behaviour of the Italian justice, prone to believe him when he speaks about the crimes of the "underworld" in the country (this is proved by the fact that with his cooperation dozens of Camorrists have been sent to prison), and prone not to believe him when it comes to the coaching of Agca in prison. Stefan Bildireva, special correspondent of the newspaper in Rome, asks: if Giovanni Pandico is untrustworthy to such an extent, should we have had the possibility to experience the doubtful pleasure to hear the testimony of so many "selected" personalities, among them the ex-directors of SISMI and SISDE, General Nino Lugaresi and Emanuele de Francesco, General Musumeci, the Camorrist Giovanni Senzani, the priest Santini, etc.

The article stresses that during the past week the shadow of suspicion once again fell over the "renovated and clarified" Italian secret services. There emerged the announcement that for three years now, SISMI has been keeping under surveil [as received] Licio Gelly, chief of the Mason Lodge P-2, and that the intelligence knows where he is at the moment. Of course certain questions appeared: Why, when the secret service knows where Gelly is hiding, it has not informed the government, and why this highly wanted criminal is still free? The comment reminds about the commission of the member of the Parliament Tina Anselmi, which has been completed 17 months ago. It is strange why the debates in connection with this commission, which is related to the Mason Lodge P-2, have been continuously delayed. Reasonably, these facts make a number of politicians to think that the people of Gelly continue to be very influential even today.

From the two facts that were mentioned it becomes clear that the allegations of General Lugaresi about purified secret services and about the impossibility of the fact that some of his people have participated in the coaching of Agca, seem very suspicious. Does his allegation that since the beginning of 1982 General Musumeci has already been private person, exclude the possibility that he still had influence and connections with powerful people? Is it really impossible for Musumeci and Pazienza to have been visiting the prison?

The comment also marks the willingness of Pazienza to testify and the unwillingness of the court to hear him. The jury made a number of rogatory commissions outside Italy but refrained itself from crossing the ocean. Why haven't the court interrogated a witness of so great an importance, who evidently knows too much? [phrase indistinct], who has already proved his biased attitude? The article makes the supposition that somebody in Rome is afraid that Pazienza may say something, which would disturb somebody.

Stefana Bildireva stresses the change of the speed in the course of the trial. While up to now they've always said that "there is time," suddenly they accelerated their speed in Foro Italico. "Is this speed not suspicious, isn't it possible that in the tumult the truth and justice may pass each other?" asks the newspaper's correspondent.

Christo Petrov, BTA correspondent to Rome, comments in POGLED on the testimony of the representatives of the Italian secret services Dr. Luigi Bonagura from SISDE, and Major Alessandro Petruccelli from SISMI, which has been given in camera. He pays special attention to the report that they had made on their meeting with Agca, which had taken place on December 29, 1981. Khristo Petrov marks that the report discloses the following: At that time Agca has not said even a word about "Bulgarian Connection," and what is more he has already been interrogated by the Investigating Judge Martella--on December 1 and December 12, 1981. Second: the telephone number that has been indicated by Agca, is not a mystery but it is the telephone number of Hotel "Vitosha." Third: Invention is the place of the meeting (East Berlin) with the person Semiloglu, because the passport of the assailant, issued in the name of Faruk Ozgun, doesn't carry a stamp attesting to his stay in the GDR, and in this case the visa is obligatory. Fourth: The Italian investigation has not done anything for the identification of the persons Enriko Fenci and Sergio, with whom Agca, according to his own allegations, has been in contact, he has taken money from the former, and sought cooperation for procuring gun from the latter. Fifth: Categorically Agca states that in the days before May 13, he has not had any significant meetings in Rome. "It were these days, [as printed] in which later on, Agca would insert the slanders about Antonov, Vasilev and Ayvazov," stresses Khristo Petrov.

BTA's correspondent thinks that the report of the two secret service agents has only searched for a basis for the development of the scenario. After that the Camorra helps General Musumeci, member of P-2, to enter the cell of Agca. As it was confirmed by Giovanni Pandico, during that visit the Turkish terrorist has signed the documents which have been presented to him by Musumeci. In this way the foundations of the "Bulgarian Connection" have been laid. Then several months of machinations pass, and in the beginning of October [word indistinct] Agca starts, for the first time, to mention the invented "aliases" of the three Bulgarian citizens.

General Musumeci Interrogated

AU110928 Sofia BTA in English 2238 GMT 10 Dec 85

[Text] Rome, December 10 (BTA correspondent)--There was nobody to expect anything more: all of us were convinced that General Musumeci, ex-high ranking official from the Italian secret services, and Mario Santini, ex-priest in the Ascoli Piceno prison, [phrase indistinct] sentence, both would deny the revelations which were made by the witness Giovanni Pandico.

With his rich experience in uncovering and covering of conspiratorial activity--40 years of service in SISMI, General Pietro Musumeci, ex-head of the department for security and control, answered sharply and flatly with "no." He was not trying to back his denial with arguments. It was clear, however, that he had decided firmly not to permit to be engaged in another affair, after his recent conviction. At present he is serving a long sentence in the military prison, for his participation in the conspiratorial lodge P-2.

At the beginning of the interrogation the presiding judge stated the accusations of the ex-Camorrist Giovanni Pandico against him, namely that he had visited "Ascoli Piceno" prison and that he had recruited [word indistinct] Ali Agca for cooperation and construction of the provocation against Bulgaria.

General Musumeci said that he had not visited the prison, in which Agca had stayed and that he had not met with him. What is more allegedly he had never visited the town of Ascoli Piceno.

At this point the presiding judge, holding a document in his hand, reminded Musumeci about a report of the Carabinieri from "Ascoli Piceno." The report says that one of the Warrant officers on duty had stopped for control on February 3, 1982, a car and the man who had been in it, had showed to him an official card and stated that he had been General Musumeci from SISMI.

Pietro Musumeci, who was not interrogated today as a witness, i.e., he did not take an oath, but as a defendant in another trial, denied all this. Because the fact is with exceptional importance, the judge ordered that the warrant officer would be found and summoned before the court, and the report of the carabinieri from "Ascoli Piceno" should be added to the documents of the trial.

Even more energetically the general denied to have met with Agca and to have visited him in the prison. He also maintained that he had not been informed that representative of their service had visited Agca, together with a SISDE agent, in December 1981. He explained that this had been carried out by another department of SISMI. The only admission which he made, although reluctantly and rather incompletely, was that he had known the famous agent of the secret services Francesco Pazienza. Allegedly he had been presented to him by the then-director of SISMI General Santovito, as his "collaborator," very intelligent but "a little impudent." Santovito had made Musumeci keep him under surveil and "keep him in check," and because, according to the witness, Pazienza had acted under the direct order of SISMI's director, no one else had known where he had been sent and what he had been doing. He had been the "confidential man" of the chief and as such, he had almost been inviolable.

A bit more conciliatory, but also especially cautious about his words, was the next witness Father Saverio, unfrocked and convicted in the trial in Naples against the new organized Camorra under his non-clerical name Mariano Santini. According to the evidence of the ex-Camorrist Pandico, who had decided to cooperate with justice, the priest had served as the connection between him and the chief of the Camorrista Raffaele Cutolo on the one hand, and Agca, who had been isolated, on the other. He had visited Agca frequently in his cell and taught him Italian.

It is true, said the priest, that he had known Cutolo and Pandico and that he had done them some favours. But his relations with Agca had been of a purely humanitarian character. He could not explain why, when moved by the fact that Agca had been without warm clothes for the winter, he had not informed the director of the prison or other official authority about that, but had informed exactly Cutolo, who ordered a new jacket to be bought for Agca.

The intention of the ex-priest had only been to console Agca, but the Turkish terrorist had not known Italian, that is why they had spoken with the help of gestures. Santini did not know how the religious books had appeared in Agca's cell, because he had brought to him only one dictionary, old English newspapers and detective novels.

The presiding judge who wanted to juxtapose the evidence of Pandico and Santini, interrogated him in detail about the cell of Agca, about his clothes, etc. He also asked whether Agca had not said anything about his reasons for shooting at the Pope.

It appeared that the priest who had visited the terrorist in the course of more than a year, at least two times a week, had never asked anything about the assassination attempt.

The ex-priest of the prison alleged that he did not know about anybody to have visited Agca in his cell. But after a question of the counsel for the defence Consolo, he suddenly remembered that he had brought to Agca's cell the Bishop of Ascoli Piceno who had presented the terrorist with a tiny crucifix.

Further on he remembered that together with the director they had visited Agca to persuade him to stop his hunger strike, which he had started near the end of 1981. But he himself did not know why he had started this strike.

"How come that you don't know," the presiding judge interrupted him. "Even the newspapers wrote that probably it has been a sign for warning of some of his accomplices."

The priest refused to go in such details.

Among other things, however, without meaning to, indirectly he confirmed the evidence of Pandico that the cook of the prison, who had sent a cable to the court stating that Pandico lies, this cook, had not prepared the food for Agca and had not any contact with him.

Lastly came the confession of the witness that Senzani, one of the leaders of the "Red Brigades," had been in the prison at that time and that he had seen him talking with Agca.

Judges Probe Pandico's Assertions

PM111131 Rome LA REPUBBLICA in Italian 5 Dec 85 p 12

[Franco Scottoni report: "Agca Trial Judges Summon Musumeci and Associates"]

[Text] Rome—The Assize Court has decided to investigate thoroughly the disclosures made by Camorra "Convert" Giovanni Pandico, according to whom General Pietro Musumeci advised Ali Agca to cite the Bulgarians as organizers of the attack on the Pope. The court has decided to summon to the 11 and 12 December hearing General Musumeci; Marshal Guarracino, chief warden at Ascoli Piceno Prison; Chaplain Mariano Santini; Brigadier Di Sabato; and prison governor Cosimo Giordano. Any confrontation between Pandico and the persons the former Camorra member has implicated has been ruled out.

The second round of the Pandico-Agca fight that was expected yesterday failed to materialize because the Turkish gunman refused to return to the Foro Italico courtroom. So it was left to Judge Santapichi and prosecuting Attorney Marini to challenge the former Camorra member's assertions. Pandico, a key figure in the fight against the Camorra and deemed reliable by Neapolitan magistrates during preliminary investigations into, and the huge trial against, Tortora and about 100 other Camorra members, tried to defend himself to avoid appearing to be a slanderer.

On the whole the former right-hand-man to Camorra boss Cutolo emerged successfully from the barrage of questions, but some of his answers left the judges doubtful. Having repeated several times that it was General Musumeci who "steered" Agca, Pandico was unable to provide exhaustive answers as to what reasons promoted him to talk about this episode only after the start of the trial in the Foro Italico courtroom. Moreover, the former Camorra member was confused about the date of the meeting between General Musumeci and Agca at Ascoli Piceno prison.

Nevertheless his testimony proved convincing mainly because of his descriptions of what went on inside the Marches prison. It seems clear that Agca's isolation in the top security prison was only apparent. Camorra members were free to wander undisturbed around the various wings with the help of the chief warden and chaplain Mariano Santini—both convicted in Naples of membership of the Camorra. So the theory that Ali Agca could have been "prompted" from outside—a theory rejected by investigating judge Ilario Martella—now seems more credible than before.

The secret services' visits to Agca at Ascoli Piceno prison were discussed in the afternoon hearing too. Evidence was heard from Intelligence and Democratic Security Service and Military Intelligence and Security Service officials Bonaguara and Petruccelli, who contacted Agca at the end of December 1981. Their statements were made in camera, that is, in the presence only of the court and of the defense attorneys. During pretrial questioning the two agents

said that the decision to visit Agca was taken jointly by both secret services. The Turkish gunman claimed at that time to have carried out the attack on the pope on his own and on the subject of friends in Italy named a certain Fenzi, a figure who had not appeared during the trial, however. Trade unionists Paola Elia and Luigi Scricciolo will be examined today in connection with the alleged attack on Solidarity leader Lech Walesa.

Yesterday investigating judge Martella questioned Mario Ilario Ponzi, the fantasist who apparently wrote letters about the Emanuela Orlandi kidnapping under the guise of the "Turkes Anti-Christian Front." Ponzi apparently admitted to sending just one letter to the ANSA office Milan and said he did not know who could have sent the other communiques. He was charged with issuing false and tendentious information.

Defense Committee Comment

AU101533 Sofia BTA in English 1448 GMT 10 Dec 85

["Deals With Bourgeois Justice"--BTA headline]

[Text] Sofia, December 10 (BTA)--The fixing of the trial of the Bulgarian citizens charged with complicity in the attempt on the life of the head of the Roman Catholic Church is a typical example of a deal with bourgeois justice, writes in RABOTNICHESKO DELO the Bulgarian jurist Assoc. Prof. Kostadin Kochev, secretary of the National Committee in Defence of Sergey Antonov.

Mr. Kostadin Kochev has come out with this article in connection with the international human rights day. In it he examines the so-called deals with justice, a characteristic feature of the legal systems of almost all Western states.

The implementation of the plot on the so-called "Bulgarian Connection" and the unparalleled antisocialist propaganda campaign are the results of such a criminal deal between the murderer-provocator Mehmet Ali Agca on the one hand and the representatives of the secret services and the magistrature, on the other," writes the Bulgarian jurist.

The Bulgarian jurist supports this conclusion by enumerating some of the evidence, that proves beyond doubt the existence of such a deal. This is for example the meetings between Petrucelli and Bonagura, representatives of the Italian secret services, and Agca, held in December 1981 at which they had discussed "pardon or the shortening of the imprisonment term of the assailant:

--Agca's statement made before his defence counsel Pietropalo on February 2 1982, according to which "the services had promised him to stay in prison for ten years at the most if he talks."

--Investigating Magistrate Martella's reply to Agca's question in respect to the shortening of his prison sentence: "A new law for repentant criminals is expected to be adopted soon. Who knows, maybe there will be a paragraph in it that would concern you as well."

—The indictment in which Martella has stated on several occasions that Agca "is trading with the truth." "One can suspect," writes Martella, "that Agca has assumed that he could derive certain profits as far as his 'status liberatis' is concerned, by fabricating the charges, which involve the political regime of the country, whose nationals are the persons, charges with complicity. These are charges whose destabilizing effect could be to the benefit or at least in the interest of the present political and ideological order in the Italian state and the alliances of which it is member."

—The evidence of the witness Abdullah Catli, who said before the Roman court that the West-German secret services had offered to him the sum of 200,000 up to 500,000 dollars, if he confirmed the allegations of Agca and perjure himself against the Bulgarians.

—The Evidence of the witness Giovanni Pandico, who at a confrontation with Agca on December 3, said to him: "You are a slanderer. You know very well that you concluded a deal in Ascoli Picheno with us, Kutolo and his ilk and Musumeci."

—The endless lies, contradictions, retractions and corrections which have been established in the evidence of Agca on concrete questions, and his repetition of the general thesis that "the Bulgarians are guilty."

—The indirect confession of Agca about the deal he had concluded, when he reached to the doorstep of the truth, saying before the court at a confrontation: "Stop it, I cannot say in public that I have lied, till now."

Kostadin Kochev stresses that the conclusion of a deal with the bourgeois justice to a great extent makes the things easier for the court itself, that is why we should not be surprised by the stunning fact, that the Roman court have not paid attention to the greater part of the formal charges, as if they do not exist and as if they have been proved in advance.

The counsels for the defence of Sergey Antonov, continues the Bulgarian jurist, although they do not carry the burden of proof, many times in the course of the trial have pointed out concrete facts which confirmed that Agca has been manipulated and [word indistinct]. However, they are not in the condition, and that is not necessary, to prove all the circumstances and facts related to the deal with Agca.

Stressing the obligations of the court to gather, check and investigate all the proofs, and if some doubtful or unclarified circumstances remain, to estimate them as such in support of the thesis of the defence, associate professor Kostadin Kochev, expresses serious concern over the bourgeoisie justice, which more and more abandons its classical principles by emptying them of their democratic content.

13 January 1986

Defense Committee Issues Declaration

AU102015 Sofia BTA in English 1950 GMT 10 Dec 85

["Declaration of the National Defence Committee for Sergey Antonov"--BTA headline]

[Text] Sofia, December 10 (BTA)--The National Defence Committee for Sergey Antonov has published a declaration which says:

The second trial in Rome on the assassination attempt against the pope, in which the Bulgarian citizens Sergey Antonov, Todor Ayvazov and Zhelyu Vasilev are defendants, is in its final stage. During the whole period of the preliminary inquest and then during the judicial inquiry, not a single proof has been found which may incriminate the accused Bulgarian nationals or any Bulgarian services, in complicity in the attempt on the pope's life. Every effort of the investigating judge, the Prosecution and the court in this trial, for finding in the criminal world or in any other place whatsoever, confirmation of the slanders of the terrorist Mehmet Ali Agca against the Bulgarian citizens, has completely failed. What is more the evidence of the witness Giovanni Pandico, ex-Camorrist, has confirmed that Sergey Antonov and the other Bulgarian defendants are victims of a sinister anti-communist plot.

But despite everything, more than three years already, the innocent, seriously ill Segey Antonov, suffering a nervous breakdown from the unjust accusations, is still kept in custody.

Now, when to many people around the world and probably to the very court in this trial, it has become clear that there is not any "Bulgarian Connection" in the organization and implementation of the assassination attempt against Pope John-Paul II, it is a jurist and moral obligation of the competent authorities in Rome to reconsider Sergey Antonov's arrest. He must be released immediately.

On December 10, the whole world celebrates the anniversary of the adoption of the universal declaration on human rights. On this anniversary it would be a disgrace to tolerate so gross a violation of the rights and personal freedom of an innocent Bulgarian citizen, such as the groundless detention of Sergey Antonov.

New Witnesses Questioned

AU092005 Sofia BTA in English 1825 GMT 9 Dec 85

[Text] Rome, December 9 (BTA)--special correspondent)--The second pope plot trial which opened here more than six months ago is nearing its completion. The court is still hearing new witnesses. It is quite indicative that the prosecution has called off certain witnesses as their testimony is immaterial to the overall picture. Today, the court president called on the defence to give up some of their own witnesses.

Giovanni Senzani, one of the leaders of the terrorist Red Brigades organisation, failed to appear for his interrogation due in court today. Presiding Judge Santiapichi explained that Senzani is now a defendant in a trial against terrorists in Florence.

The court hear the evidence of the witness Gerardo Romano, resident at 29 Via Pola, who lives in the flat situated precisely above Sergey Antonov's flat. Called by lawyer Consolo, Mr. Romano attended an inspection of Antonov's flat several months ago. At the request of the court president, he described the flat in great detail. The significant fact he confirmed was that the living room and the bedroom in Antonov's flat are separated by a curtain and not by a sliding door as is the case with the best of the flats. This point is one of Agca's earliest stumbling blocks. Having been informed erroneously by his inspirers, Agca claimed that there was a sliding door at Antonov's. Those who have fed the information to Agca, have been familiar with some flats in the block and have been wrong in inferring that there are sliding doors in each flat.

The witness Asen Marchevski, official translator at the Bulgarian Embassy, was questioned more extensively. He has been employed in Rome since 1979 and he knows Antonov, Vasilev and Ayvazov. He knows Ayvazov better than the rest because they lived in one and the same block of flats and occupied neighbouring offices in the embassy. The witness testified that Ayvazov did not speak either English or good Italian. He said Ayvazov used to take him or some of the Italian-speaking employees when he went to the customs. This does not contradict the statements of the other witness, Mr Marchevski said, who contend that Ayvazov had a working knowledge of Italian. He could talk on some ordinary topics but could not handle the specific terminology and documents of customs inspections.

Asen Marchevski produced some details in connection with the arrival of the Bulgarian TIR truck which had brought in provisions for the celebration of the 1300th anniversary of the Bulgarian state. He described the days of May 11 and 12, 1981, as far as he could remember them, as the presiding judge was specially interested in them. Mr Marchevski spoke about the press conference on the 11th and about the reception on the 12th of May. He testified that Antonov is rather reticent and reserved, that he likes reading and takes an interest in the arts. The witness emphasized that he had never heard him speak English but that he got along with the Italian he needed in his work.

Vasilev, Ayvazov Questioning Ends

AU221649 Sofia BTA in English 2146 GMT 21 Dec 85

[Text] Sofia, December 21 (BTA --Special correspondent Alfred Krispin)--"There is an allegation which is constantly repeated, namely that I have fled from Rome when I have understood that I have been charged with complicity in the assassination attempt against the pope," said Mr. Todor Ayvazov today in his testimony before the court here. "If I have had anything to do with the assassination attempt, should I have left so carelessly my family in Rome, even then when I, according to the allegation, have had [as received] fled from Italy."

The rogatory commission filed by the Rome criminal court was completed this evening with the interrogation of Mr. Todor Ayvazov. The Bulgarian judge who presided over the session, Mr. Trendafil Danailov, ordered that the materials should be sent to the court in Rome.

As far as his supposed flight from Italy was concerned, the witness Todor Ayvazov said that since November 1982 he had been staying in Bulgaria in connection with the striking of the balance for the fiscal 1982 year. At that time he had been in charge of the financial-administrative department of the Bulgarian Embassy in Rome.

Leaving Italy on this business trip to Bulgaria, Todor Ayvazov had bought an airway ticket beforehand, and it had been for leaving and return. He had to go back to Rome on November 26, 1982. Even he had made [word order as received] a reservation for the Sofia-Rome flight, several days before that date.

About the arrest warrant issued by the investigating-magistrate Martella; he had found out at the very airport in Sofia, on November 26, a few minutes before his entering the plane. He had been informed about it by an employee of the Bulgarian Ministry of Foreign Affairs, who had come to the airport in order to warn him and who had told him that he must not leave for Rome, until the clarifying of the circumstances.

The interrogation of Todor Ayvazov, this afternoon, was focused on three points:

What had he done during the three days from May 11 and 13, 1981?

Who had been the people allowed to live in the apartments and the representative apartment of the block of flats of the Bulgarian Embassy in Rome?

What had his participation [as received] been in the customs clearance in connection with the loading and unloading of the famous Bulgarian TIR truck, which had been in front of the Bulgarian Embassy at that time?

Mr. Todor Ayvazov once again repeated that it was difficult for him to remember details about days which had past long time ago. But with the help of documents from the archive of the department that he headed, he managed to reproduce in detail, hour by hour, what he had done during the three days in question. It could be seen that his schedule had been filled rather dense by current work, which had been reflected in official Italian documents as well. That fact is important because Agca alleges that during these three days Ayvazov has been with him almost constantly in connection with the attempt against the pope.

As to the inhabitants of the block of flats of the Bulgarian Embassy in Rome, where, once again according to Agca's allegations, his Turkish accomplices had been accommodated in the days before the assassination attempt, Mr Todor Ayvazov said that in this block of flats only Bulgarian citizens had been allowed to lodge, and only after an explicit permit by the ambassador. Foreign citizens had never been accommodated in it.

Considerable attention was paid to the interrogation about the customs clearance of the Bulgarian TIR truck. Mr. Todor Ayvazov confirmed the facts that already had been stated, backing his words with documents and with actual descriptions, that on May 12, 1981 he had taken steps as an emergency case to the customs in Rome for the customs clearance of the cargo, which had been brought by the truck.

This had been a shipment of Bulgarian spirits drinks necessary for the celebrations of the 1300th anniversary of the foundation of Bulgaria, and the climax of the celebrations in Rome had been scheduled for May 24--the holiday of Bulgarian culture. The ambassador wanted Ayvazov to settle the unloading as early as May 12, because a cocktail party had been scheduled for the evening of that day in honor of the renowned Bulgarian opera singer Rayna Kabaivanska.

The unloading had been arranged with the Rome customs on the same day. On May 13, 1981, Todor Ayvazov once again had been in the customs, that time for an export licence of the cargo of the same TIR truck for Bulgaria. That has also been settled in the proper manner with stamped and signed documents, on which the signature of Ayvazov is clear and visible.

In the course of the interrogation conducted through the Bulgarian judge, once again it became clear, that Todor Ayvazov had not had a telephone in his home in Rome, and because of that fact it really had been impossible for Agca to call him on the telephone in his house, as the terrorist himself alleged. It was found that during his education Ayvazov had studied only a little French. It was found that he had never been able to learn to speak Italian fluently. It was found that whenever the Bulgarian Embassy had made reservations in Italian hotels, that had been done by the interpreter of the embassy.

The only thing that was not found, during the execution of this rogatory commission was the existence of any clue whatsoever, even the most conditional one, which could drop a hint about some relation of the assailant Agca with the three Bulgarian citizens.

Tonight the Italian magistrates and lawyers had to be in the Sofia opera, which performed Verdi's "Aida"—a controversial staging provoking controversial opinions among the Bulgarian musical public. That is why the session of the court had to be completed half an hour before the beginning of the performance. However, the session ended at 19:30—half an hour after the curtain had been raised in the opera.

It seems that because of the displeasure from the fact that he has missed the first act of the opera, the judge Severino Santiapichi, who presides at the second trial in Rome on the assassination attempt against the life of the pope, has refused to express his opinion on the results of the rogatory mission in Sofia, before a BTA reporter.

Vasilev Questioning Continues

AU211537 Sofia BTA in English 1404 GMT 21 Dec 85

["Am I That Crazy?"—BTA headline]

[Text] Sofia, December 21 (BTA special correspondent Alfred Krispin)—The assailant Agca's allegations that he had met in Rome with the three Bulgarians, accused by him, does not correspond to the truth and the proofs that he is lying are to be found in Italy and have been collected by the Italian authorities who are monitoring the activities of the Bulgarian officials there, stated Lieut. Colonel Zhelyo Vasilev today.

Continuing to testify as a witness at the court session presided by the Bulgarian Judge Trendafil Danailov during the execution of a Rogatory Commission of the Rome court of Asizes, Lt. Col. Zhelyo Vasilev states: "It is an open secret that we are under constant surveillance in Rome. It is enough to point to the TV cameras mounted in front of the embassy to prove this fact."

The second day of the execution of the Rogatory Commission also included the hearing of the testimony of Todor Zhivkov, the third Bulgarian accused by Agca of being his accomplice in the plot to kill the pope. The hearing was conducted in the presence of the Italian magistrates and lawyers. Before the beginning of Yvazov's interrogation, he and Zhelyo Vasilev stood up side by side in front of the court in order to demonstrate the difference in their height.

It was established (and written in the record) that Todor Ayvazov is considerably taller than Zhelyo Vasilev. However, the assailant, who has claimed to have known both of them very well and to have met them together, has contended that Zhelyo Vasilev had been the taller of the two.

In his testimony this morning Lt. Col. Zhelyo Vasilev pointed out still other discrepancies in Agca's descriptions of him—discrepancies which proved that Agca had never seen him in person.

The famous wart on Zhelyo Vasilev's face was mentioned. According to Martella this wart had not been visible on the photograph, but Agca had described it precisely. The witness presented photographs, the same he had presented to the Italian authorities, when he had applied for a visa to Italy, and later on when he had to receive Italian identity card. These photographs clearly show the wart in question.

What is more, the lieutenant colonel recollected, that it had been him to draw the attention of the investigating judge Martella to that wart, at the time when he had testified before him in the summer of 1983, in Sofia, and Agca had started to talk about this wart as late as Martella's return to Rome, after the rogatory commission in Sofia.

What was particularly interesting, noted Lt. Col. Zhelyo Vasilev, this was the fact that Agca had spoken in detail about this wart, and at the same time he had missed to mention another two more conspicuous old injuries scars on his face. These scars were clearly visible to all present in the court room today.

What is more, when Agca had described the personality of Lt. Col. Zhelyo Vasilev, the way he had seen him during their supposed meetings before the assassination attempt, he had alleged that the Bulgarian officer had moustaches. Lt. Col. Zhelyo Vasilev really has moustaches at present, but at the time of the assassination attempt and before it he had been clean shaven, which could be seen on the photograph in his passport and his Italian identity card. He had grown moustaches only at the end of his stay in Rome. And at that time Agca had not been able to see him, even only because of the fact that he had already been behind bars, stressed the witness.

"As far as I know from investigating magistrate Martella's indictment under which I was arraigned, he is trying to pass me off as a liar," Lt.-Col Zhelyo Vasilev said. In order to rationalize his allegation, Martella is juggling with the witness' testimony about his own height.

"Dr. Martella is obviously seeking to suggest that the Turks are lying, and the Bulgarians are lying, hence, there are all birds of a feather," Lt-Col Vasilev said in conclusion.

Answering the questions of the Italian judges put to him through the Bulgarian judge at this morning's session, the witness to [word indistinct] Ayvazov said categorically that he had not met Agca either in Rome, or in Sofia, that he had never been introduced to him and could not have conspired with him to murder the pope. Proceeding from documents from the service he has been in charge in Rome, he did his best to make an hour-by-hour reconstruction of his doings during the three days of May 1981, in which, as Agca alleged, they had been organizing the attack together.

Mr. Ayvazov indicated that he found it very difficult to reconstruct in detail his business in the three days which had not been different to him from any other day, and which have all gone in the past so long ago. With the help of archive materials he managed to draw quite a dense picture which leaves no room for conspiring an assassination plot.

"By coincidence, precisely in that month of May 1981 my parents were staying with me in Rome," Todor Ayvazov said. "Am I that crazy to invite my parents to stay with me right when, as Agca says, I was engaged in the preparations for the attack committed by him and when, as he alleged, I had to accommodate Turkish conspirations at my home?" Todor Azvazov [sentence as received]

The court will go on questioning the two witnesses in the afternoon.

Vasilev Questioned Further

AU211515 Sofia BTA in English 2201 GMT 20 Dec 85

[Text] Sofia, December 20 (BTA special correspondent Alfred Krispin)—Under the chairmanship of the Bulgarian judge Mr. Trendafil Danailov, presiding judge of the Sofia regional court, the carrying out of the rogatory commission assigned by the panel of the first Rome criminal court in connection with the second trial on the assassination attempt against the life of the pope, started here today. The court session is attended by the judge Mr. Severino Santiapichi, who presides the trial in Rome, his deputy Mr. Fernando Atolico, the prosecutor Mr. Antonio Marini, and the lawyers Mr. Giuseppe Consolo, Mr. Adolfo Larussa and Mr. Manfredo Rossi.

Mentioning the circumstances around the rogatory commission, which was formed despite the fact that there is not an agreement between Bulgaria and Italy for legal cooperation, the Bulgarian judge reminded the content of Article Four of the Bulgarian legal code. According to this article Bulgarian citizens should not be put on trial by any foreign court or submitted to any other country for serving of sentences delivered there. And because of this fact the Bulgarian citizens Zhelyo Vasilev and Todor Ayvazov may be interrogated here only as witnesses in the case tried by the Roman Criminal Court.

This fact has been explicitly expressed by the Bulgarian side in the notes exchanged between Bulgaria and Italy. This condition has been accepted by the Italian side but the pretention of the Italian magistrates for revision of this agreement and Zhelvo Vasilev and Todor Ayvazov to be summoned, in practice, before the court here as defendants, sounded rather unpleasantly, as early at the opening of the session.

After this short incident, the interrogation of Lieutenant-Colonel Zhelyo Vasilev as a witness, started before the Bulgarian judge.

On the questions: Had he known the assailant Mehemet Ali Agca, had he met him, had he planned with him the assassination attempt against the pope, had he instructed him how to commit the crime, had he been with him to inspect St. Peter's Square in Rome, Zhelyo Vasilev gave categorical negative answers. Clearly and backing his arguments with minute details he explained why it had been practically impossible for him to accompany Agca on 11th, 12th, and 13th of May 1981. At the same time Zhelyo Vasilev pointed out that from the questions of the investigating-judge Ilario Martella during the preliminary inquiry here, and also now, for the questions stated by the Italian judges today, he had the impression that they simply lacked the desire to listen to everything which he was able and wanted to say in connection with this trial for the clarifying of the truth.

The court devoted too much of its time to the telephone number of the embassy, which, according to the allegations of the assailant, had been used by him to call Zhelyo Vasilev, asking for his alleged pseudonym Sotir Petrov. Zhelyo Vasilev pointed out that this telephone number was one of the numbers of the

telephone exchange of the Bulgarian Embassy in Rome. During the office hours the telephone exchange is operated by a telephone girl, and during the rest of the time it is operated by a member of the Bulgarian mission on duty. And all Bulgarians working in the official representations in Rome are regularly on duty there some time or another. This means that if the assailant wants to contact him through this telephone number, asking for Sotir Petrov, at least several dozens of people, who operate the telephone exchange at various times, should have known that the "dangerous Zhelyo Vasilev" is hiding behind this pseudonym, stressed ironically the witness.

And rather more logically and more conspiratorial it should have been if Agca had asked for Vasilev on the direct telephone line in the office of his chief--the military attache at that time--Colonel Kochovski. But it had come out that for so dangerous a plot Agca had been given the telephone number of the telephone exchange of the embassy, so that he could get in touch with his hypothetical accomplices in such a way that everybody could have the ability to understand what had been going on.

What made a strange impression, stressed Zhelyo Vasilev, was the fact that describing his personality Agca had said that he had been tall--even taller than the other falsely accused Bulgarian Todor Ayvazov. Zhelyo Vasilev pointed out that he was 1.64 m tall, i.e. rather short. But this fact had not convinced the investigating judge Ilario Martella that Agca had lied and that he had never actually seen Vasilev.

The third untenable fact in Agca's allegations that they had conspired together, is the fact that they lacked a common language in which they could understand each other in order to plot together. Lieutenant Colonel Zhelyo Vasilev stated that he could not speak any other foreign languages except Russian and Italian. He had never studied English. The assailant had alleged that they had spoken in English.

Some of those that were present in the court room were impressed by the fact that the investigating judge Ilario Martella had been able to interrogate the summoned persons himself, and today the Italian judges could state their questions only through the presiding Bulgarian judge. But at that time it has been only a preliminary investigation while now there is a trial going on in Rome and Zhelyo Vasilev is a defendant in it. And as it has been pointed as early as the beginning of the session here today, according to the Bulgarian law no Bulgarian citizen may be put on trial by the court of any foreign country.

Journalist Denounces Rome Trial

AU182140 Sofia BTA in English 1930 GMT 18 Dec 85

[Text] Sofia, December 18 (BTA)—This evening the Bulgarian television broadcasted the following commentary by Mr. Nencho Khranov, deputy director general of the Bulgarian Telegraph Agency:

The trial in Rome which has dragged on for almost seven months now, is nearing its end. It is expected that the court proceedings will be completed and in the middle of January. [as received]. The prosecutor and the defence will deliver their speeches. The wide democratic public understands perfectly well the provocation-political character of the unjustified charges against Sergey Antonov and the other two Bulgarian citizens. The committees for defence of Sergey Antonov which have been established in a number of countries, various public organizations and the press, raise their voice ever more actively for release of Sergey Antonov, for acquittal of the innocent Bulgarian citizens.

I will mention only three despatches received by the Bulgarian telegraph agency today, from Havana, Aden and The Hague, which display the attitude toward the framed-up political provocation. The Cuban television stresses that all accusations, which have been fabricated by Agca, are absurd and false. They aim to discredit the Bulgarian socialist system, to besmear the good name of one socialist country which has earned its well-deserved international prestige by its consistent peace-loving foreign policy. The participants in the international journalistic symposium in Aden, from different countries in Asia, Africa and Europe, appeal to all progressive journalists in the world to raise their voice in defence of justice and the irreversible rights of Sergey Antonov as a man and as a citizen of Bulgaria. The Dutch committee for solidarity with Sergey Antonov declares: We are deeply convinced in Antonov's innocence.

This deep conviction, which has found its place in the mass media, follows from the facts. Not a single circumstance, not a single fact have been pointed at the trial in Rome, which may incriminate the Bulgarian citizens in any complicity whatsoever, in the fiendish crime committed at St. Peter's Square. Only the contradictory and often self-refuting slanders of Agca serve as the only starting point of the prosecution in order to maintain the absurd thesis of the indictment of the investigating-magistrate Martella. On the contrary, numerous and convincing are the facts, which speak about the machinations of the NATO secret services in the framing-up of the so-called "Bulgarian Connection."

It is clear for any unprejudiced person that the trial in "Foro Italico" is a political trial. It has been planned as a slanderous campaign not only against the People's Republic of Bulgaria but against the whole socialist community. The aim was and continues to be the vilifying of the policy of detente and dialogue between the East and the West, the besmearing of the socialist system and our ideology. This is a link in a worn out neo-crusade against socialism. The course of international affairs itself has shown and has proved that such a policy is absurd and that it contradicts to the interests of mankind.

In conclusion I will venture to refer to the standpoint of the Soviet minister of foreign affairs Mr. Eduard Shevardnadze, member of the Politburo of the Central Committee of the CPSU, which he has expressed in his speech during last week's visit to the USSR of Mr. Petur Mladenov, minister of foreign affairs of Bulgaria: "We can see very well," pointed out Mr. Shevardnadze "that our class adversary is trying to break the ranks of the socialist community, to reduce the positions of socialism in the world, to besmear them. And we cannot but recall the unworthy activities in Rome, the gross political provocation, organized by the forces of the imperialist reaction and the Western secret services against the Bulgarian citizens to these activities the fraternal parties and countries give an unequivocal answer: They consolidate ever more their unity and class solidarity, they cooperate ever more closely in the international affairs."

What can be more clear than that!

/8309

C50: 2200/53

POLITICS

BULGARIA

BRIEFS

BULGARIAN OFFICIAL TO IRAQ—Baghdad, 24 Dec (INA)—Tariq 'Aziz, deputy prime minister and foreign minister, met here today with Ivan Ganev, Bulgarian deputy minister of foreign affairs, who is currently visiting Iraq. They discussed bilateral relations, the regional situation, and international issues of joint interest. [Text] [Baghdad INA in Arabic 1827 GMT 24 Dec 85] /8309

BCP DELEGATION RETURNS—A delegation of the BCP Central Committee returned from Bucharest. The delegation was headed by Comrade Milko Balev. The delegation also included Comrades Dimitur Stanishev and Stoyan Mikhaylov. The delegation attended a conference of Central Committee secretaries on international and ideological issues of fraternal communist and workers parties from socialist countries. [Text] [Sofia Domestic Service in Bulgarian 1830 GMT 18 Dec 85] /8309

ZHIVKOV RECEIVES IOC OFFICIAL—Sofia, December 16 (BTA)—Today, Mr Todor Zhivkov, president of the State Council, received in "Boyana" Residence Mr. Berthold Beitz, chairman of the Board of Supervisors of the Alfred Krupp von Bohlen and Halbach Foundation and vice president of the International Olympic Committee. At their friendly talk they discussed issues of international cooperation. They stressed the importance of the development of business, cultural and sports relations, which contribute to the strengthening of the trust and understanding between the peoples. [Text] [Sofia BTA in English 1846 GMT 16 Dec 85] /8309

DYULGEROV-LED TU DELEGATION—On 15 December the delegation of the Bulgarian Trade Unions Central Council, which took part in the meeting of leaders of the socialist countries' trade union organizations, returned from Berlin. The delegation was led by Petur Dyulgerov, chairman of the Central Council and candidate member of the BCP Central Committee Politburo. [Text] [Sofia Domestic Service in Bulgarian 1600 GMT 15 Dec 85] /8309

CSO: 2200/53

POLITICS

CZECHOSLOVAKIA

MURIN, USSR'S KAPITSA SIGN CULTURAL AGREEMENT

1D032325 Prague CTK in English 1659 GMT 3 Dec 85

[Text] Moscow, 3 Dec (CTK correspondent)--Large-scale exchange of art ensembles and particularly intensive cooperation of leading young writers and artists between Czechoslovakia and the USSR are provided for by a plan of cultural and scientific cooperation for 1986-90, which was signed here today.

Under the agreement, signed by Soviet Deputy Foreign Minister Mikhail Kapitsa and Czechoslovak Deputy Foreign Minister Stefan Murin, the climax of art and culture exchanges in the next five years will be the Days of Czechoslovak Culture in the USSR in 1988 and Days of Soviet Culture in Czechoslovakia in 1990.

The agreement envisages intensive cooperation in science and university and secondary vocational education through raising qualifications of experts in various branches, lectures, etc. The exchange of radio and television programs and cooperation in the printing industry and distribution of books will also increase.

/9274

CSO: 2020/50

POLITICS

CZECHOSLOVAKIA

PRC'S LI XIANNIAN RECEIVES OBZINA

LD101626 Prague CTK in English 1326 GMT 10 Dec 85

[Text] Beijing, 10 Dec (CTK correspondent)--Czechoslovak Deputy Premier and Chairman of the State Commission for Scientific-Technological Development and Investments Jaromir Obzina, who heads a government delegation here, was received today by Chinese President Li Xiannian.

The two representatives appreciated the results attained in the development of bilateral relations, particularly in the economic and scientific-technological spheres. They stressed the interests of their countries in intensifying these relations.

The two statesmen also discussed some international topics and in this context they emphasized the great responsibility of the socialist countries in efforts for maintaining world peace.

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CSO: 2020/50

POLITICS

CZECHOSLOVAKIA

CSSR MINISTER CONCLUDES TALKS, DEPARTS

LD091147 Tehran IRNA in English 1028 GMT 9 Dec 85

[Text] Tehran, 9 Dec (IRNA)--The Czech minister of industry, Pavol Bahyl, left Tehran Monday morning following a three-day visit and talks with the Iranian officials.

The Czech minister was seen off at Tehran's Mehrabad International Airport by the Iranian minister of heavy industries, Behzad Nabavi.

The Czech minister in his talks with Iranian officials discussed further expansion of bilateral relations, technical cooperation and also export of Iranian industrial products to Czechoslovakia.

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CSO: 2020/50

POLITICS

HUNGARY

INCREASE IN CRIMES BURDENS COURT SYSTEM BEYOND CAPACITY

Budapest MAGYAR HIRLAP in Hungarian 26 Nov 85 p 3

[Article by Gyorgy Acs: "Court Proceedings Must Be Speeded Up"]

[Text] The Supreme Court of the Hungarian People's Republic held a plenary session "yesterday" [25 Nov 85] to debate and approve reports on the work of the Supreme Court's five divisions in recent years. Dr Jeno Szilbereky presided. The following attended the plenary session: Imre Katona, secretary of the Presidential Council; Dr Imre Markoja, minister of justice; Peter Varga, director of an MSZMP Central Committee department; dr Karoly Szijjarto, supreme state prosecutor; Tibor Baranyai, secretary general of SZOT [National Council of Trade Unions]; Lieutenant General Dr Lajos Morocz, state secretary of the Ministry of Defense; Dr Albert Racz, state secretary, chairman of the State Office of Wages and Labor Affairs; and Lieutenant General Karoly Ladvanszky, deputy minister of the interior.

The plenary session established that the Supreme Court has fulfilled its constitutional obligations. It is performing with suitable efficiency its tasks of reviewing cases, and of providing guidance for the lower courts through its authoritative rulings. Dwelling in detail on the work of the individual divisions, the plenary session established that unfavorable phenomena can be observed in the nature and composition of criminal activity. The fact that offenses against life and the person are continuing to become more serious, the rates of certain violent crimes, the increase in the number of robberies within offenses against property, and the spreading of vehicular crimes--all are warning signs. Various abuses, often in combination with corruption, can be observed in conjunction with the new forms of businesses that otherwise have proven suitable in the economy. The proportions of recidivists, vagrants, alcoholics and parasites among the criminals are rising. Alcohol abuse remains a serious problem, and drug abuse is spreading especially among youths. Environmental hazards are continuing to threaten the development of a significant proportion of our young people.

In the debate it was noted that judges have practically reached the limits of their work capacity. Typical, for example, is the sharp rise in the number of criminal cases that the Supreme Court reviews on appeal: from 885 cases in 1983, to already more than 1200 so far this year. The backlog of criminal cases, and the average wait until a case comes up for trial have been unfavorable in recent years at some of the megye courts, particularly the Budapest

Court. The number of criminal cases in which the Supreme Court has to review confinement on remand (ordered or continued by a lower court) exceeding 12 months has been increasing year by year.

The basic principles of our law of criminal procedure are being observed in practice. Defendants are able to exercise their right to defense without any limitations. Court sentences are well reasoned and in accord with legality, although occasional errors and violations of the law have occurred also in the recent past. However, the Supreme Court's criminal division has corrected these errors and violations, and has issued authoritative rulings to further strengthen the procedural safeguards.

In another area, the law of domestic relations, conflicts have arisen especially in matters of custody, divorce, property settlement, and right of occupancy.

In reviewing cases and issuing authoritative rulings, the Supreme Court's business law division concentrates on aiding the smooth operation of the system of contracts. In labor law cases, special attention is being devoted to preventing abuses of the law. This is important mainly in litigation arising from disciplinary actions and dismissals. The practice that has evolved under the Supreme Court's guidance not only upholds the worker's right to justifiable criticism, but it also guarantees that dismissal by the enterprise during reorganization must be warranted.

In the debate Karoly Szijjarto, the supreme prosecutor, spoke of the work of the Supreme Court's divisions and urged court proceedings that are faster and more simple. He questioned the corrective and educative effect of a sentence that is completed during detention on remand. Justice Minister Imre Markoja also emphasized the need to speed up court proceedings.

The plenary session discussed the guidelines on heavy, substantial, and especially heavy damage in the criminal division's authoritative ruling on the extent and assessment of damage in tax violations, foreign-exchange violations, and violations against property. Next, the plenary session heard and approved the report of the disciplinary committee's chairman, and elected a new disciplinary committee.

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CSO: 2500/100

POLITICS

YUGOSLAVIA

PASIC CRITIQUES RECENT POLITICAL DOCUMENTS

Belgrade POLITIKA in Serbo-Croatian 16, 17, 18 Nov 85

[Article by Najdan Pasic, professor: "Criticism of Sterile Criticism"; first two paragraphs are POLITIKA introduction]

[16 Nov 85 p 6]

[Text] In a lengthy discussion which is soon to be published Professor Najdan Pasic describes how we "manufacture" political documents and measures their ideological range. As a person who has himself participated in the drafting of certain documents, Pasic brings his own and broader experience to bear as he examines them in the context of our political relations.

Our newspaper will be publishing in three installments parts of this study in which Pasic pays particular attention to the Critical Analysis of the Functioning of the Political System, taking this example as an illustration of certain of his arguments and observations.

The critical reassessment of the functioning of the political system has not yet yielded the anticipated constructive results. Within the League of Communists itself, and that above all in its leadership, there was not, at least at the outset, enough willingness to acknowledge that a considerable portion of the difficulties in the economy have their roots in the sphere of society's political organization. The one has been mechanically detached from the other, although the very first steps (and the first stumblings) in carrying out the Long-Range Economic Stabilization Program spoke clearly to the effect that that program could not be carried out unless effective functioning of the political system was ensured.

Indeed even more than 3 years ago when the Presidium of the LCY Central Committee took the position that it would undertake a drafting of a critical analysis of a functioning of the political system "in an organized way and without delay," this job, which is an extremely important and urgent one, was impeded and slowed down by the constant effort to define and fix in advance how far that criticism would go and which topics would be subject to critical reassessment and which would not.

The announcement that a working group had been created in the Federal Social Council for Problems of the Social System to ascertain the causes of certain obvious serious shortcomings in the functioning of the political system was accompanied by a relatively long silence about what it would actually work on and how that work was progressing. The desire to postpone the public democratic dialogue on these matters until internal agreement was reached in the appropriate political bodies had certain results just the opposite of what was anticipated. Instead of a "laying of the spirits" and waiting for what the responsible working group would offer, the discussion actually began even without clearly defined ideological points of departure, carried forward by dissatisfaction and impatience because of the slowness to react to the shortcomings and difficulties evident to everyone both in the process of establishing policy, and also and especially in carrying it out.

The Presumed Relations and the Real Ones

A string of years when the difficulties were increasing and the living conditions of the enormous majority of working people, especially those who truly live from their work with the socialized means of production, steadily deteriorated could not have gone without consequences for the ideological climate and morale in society. The justified doubt based on practical experience as to the correctness of certain specific solutions began little by little to undermine the faith even in the very basic commitments for whose implementation increasingly appropriate instruments and solutions were supposed to be found precisely on the basis of a constant testing and retesting of actual experience.

But it is precisely that creative-critical attitude toward the specific normative solutions--instruments for achieving strategic goals--that for years now has been blocked by pragmatic political interests of certain segments of the stratum of professional political managers. Any real change in the present division of social power, which has been built and established behind an opaque net interwoven of specific normative solutions and the present method of their practical application is unacceptable to it.

The consequences of that situation are very serious. An essential attribute of any revolutionary movement and any vanguard party has begun to shrink and atrophy. I am speaking about the ability and willingness to reassess and critically evaluate the results of its own activity and the trends characteristic of overall social developments openly and democratically, without shrinking, and then on that basis (and this is essentially the most important thing), to build future policy and organize social action.

But in our political practice in recent years, especially in the practical activity of the League of Communists, there has been an ever more striking lack of precisely what is the most important--the readiness to change and to throw out everything in the specific normative solutions and their practical application that has not withstood the real test of reality, constructs that had been conceived on the basis of presumed social relations rather than the real ones, everything that had proved dysfunctional and inappropriate in relation to the basic goals and directions of socialist social development, among which

first place is taken by the real (and not declarative) emancipation of associated labor from bureaucratic and technocratic tutelage.

Appeals and Responses

This "state of the spirit" in the party has also been manifested in the character and content of party documents (conclusions, resolutions, views, and platforms). There have been more and more of them, and as a rule their effect in terms of action and mobilization has been smaller and smaller. The party rank and file and the broader political community awaited and received those documents, announced in advance, with interest and hope, and it has accepted and adopted them, usually with hesitation and indeed with disappointment. Why is this the case? There is an obvious disproportion between what has been announced and "promised" and what is really being offered, between the time, money, and labor which went into drafting those documents and what is offered as the end result. It is likewise obvious that in the preparation of the resolutions and conclusions elements of political deals and compromises within the political leadership pushed aside (and sometimes altogether "displaced") elements of a broader and principled theoretical thinking-through of the various social problems and conflicts between opposing partial interests which are exceedingly present and vigorous within the party itself.

Which accounts for the internal disharmony and inconsistency with which many of the important documents and analyses suffer from, their principal purpose and purport being to stimulate and guide practical action. A harshly critical portrayal of the situation which is to be changed is accompanied by a much less definite and precise identification of the essential causes of the negative phenomena which are the subject matter of the criticism, and then altogether anemic proposals of measures to change the situation are built up on top of that and carry the message that actually nothing essential needs to be changed "except" the behavior of all the principals in the political process, all those responsible for "subjective shortcomings"! These moral recommendations have not, of course, altered one whit the threatened positions of concrete interests of the principles called upon to "change their behavior." So the motivation to "go on in the same old way" is stronger than the motivation to do things differently and better.

A political document which contains harsh criticism of the status quo, but does not impose the duty of specific action and does not set forth measures and tasks appropriate to the diagnosis which has been made, can be and often is counterproductive. Resolutions and conclusions with that kind of content do more to disorient (and indeed even demoralize) than they actually do to mobilize the creative forces in the party and in society at large.

Creation of Illusions

It is a dangerous illusion that the unwillingness to make decisive moves and the giving in to the present balance of power and endeavors to preserve at any cost positions of political and social power which have been acquired can be offset by a unanimous adoption of lengthy documents in which an appeal is made for loyalty to the general principles and commitments contained in the

Constitution and the Law on Associated Labor and which call for everyone to behave accordingly. But the problem does not in fact lie in those principles and commitments themselves, but in the specific way they have been elaborated, interpreted and applied, which has been directly influenced by the opposed leanings and aspirations of those holding positions in the government and administration of various sociopolitical communities and other professional management structures, which have become independent and which are set off against one another.

What has come about as a result of the tortured bargaining and trade-off of concessions to the opposing views and interests can hardly be persuasive or take on the force of a document which resolves the long-building controversies, nor can it plot the course of unified action. It is illusory to believe that this problem can be resolved by constantly and explicitly a feeling to the principle of democratic centralism, since that principle cannot in and of itself guarantee consistent implementation of the decisions and positions which are not themselves consistent.

Adoption of documents which are not the result of an authentic unity established democratically, but a way of disguising disunity, has contradictory results: in the short run it creates the illusion that a way has been found out of the dead end and that in the future we need only to consistently implement what has been decided and concluded, but over the long run those illusions only undermine the already feeble capacity for action of the League of Communists and the other organized socialist forces.

The overproduction and inflation of political documents of all kinds intended to set in motion and guide social actions has inevitable negative consequences, as indeed does any inflation. In this case we are talking about negative consequences to the political authority and influence of the bodies and authorities in whose name those documents are being adopted. The more distinguished and responsible the place of such a body in the overall system of political decisionmaking, the more far-reaching and grave those consequences are. After all, every proclaimed policy that is not carried out, every position or conclusion that is adopted, but does not come to fruition, merely strengthens the already incipient doubt and disbelief of the ability of the organization and of its leadership to effectively influence the course and direction of real social developments.

The danger is increasingly obvious that the passivity and apathy have seized upon the broadest rank and file of all the sociopolitical organizations, including organizations of the League of Communists, placing upon political life as a whole the imprint of a lack of interest and lethargy. And that is not an atmosphere favorable to successfully getting out of the economic and political-ideological crisis or which guarantees continuation of the course of profound revolutionary changes (which has been otherwise inherent in our overall postwar development).

[Text] It is obvious that in the structures of sociopolitical organizations, bodies of the assembly, and indeed the League of Communists itself there has been a nurturing and perfection of skill at that kind of presentation and rationalization which makes it possible to use very many words in saying what is essentially very little, to facilitate (only on paper, of course) the coexistence of altogether opposed views and solutions by endless repetition and variation of general commitments and abstract principles. Disputes are thus "resolved" by appealing to general principles which no one in fact has ever disputed, and the painstakingly weighed balance of concessions and support to the conflicting interests guarantees unanimous adoption of what in essence no one is in fact satisfied with. Since after all in a document tailored in that way everyone will find what suits him and what makes it possible for him to continue in the same old way in his behavior, and all will be able to breathe a sigh of relief, since a way out of the unpleasant dead end has been found at least in appearance and "until the next time."

The conclusions of the LCY Central Committee explicitly state that the party document should be quite short and clear, should not reiterate positions already taken, and should point out the way in which their implementation is to be ensured. They also state that there is a need to guarantee that the rank and file, organizations, and bodies of the LCY discuss in advance the particularly important issues in drafts of the documents of the LCY Central Committee.

It is very important that the Central Committee has defined its orientation and obligations in this way at precisely a time when the preparations for the congress are entering their most intensive phase. As is well known, the broad party community and other democratic political forces and factors are usually "brought into the game" when the "game" is actually over, at least as far as concerns the final result arrived at. This diminishes and completely loses the precious creative impulse which public discussion can offer by breaking up the blockade of the narrow day-to-day interests on behalf of the general interest and those things which are turned toward a common future.

After Lengthy and Exhausting Meetings...

The LCY Central Committee did the right thing when it sent out the draft of the conclusions of its 13th meeting to the party membership for free democratic discussion on the broadest scale.

The course and results of the fundamental discussion were waited for and accompanied by (and dismissed with!) many favorable assessments and comments. In part they were even decanted into the conclusions of the 16th Meeting of the LCY Central Committee. However, the effect and direct impact of the broadest democratic di-...[garbled text]...was small and almost negligible in terms of the regular activity and established way in which party forums, "working bodies," and the "apparatus" go about things. The extent to which the forums and apparatus are shut off in their way of doing things and making decisions, their resistance to "external" democratic influence and pressures, were made evident.

Say Much and Do Little

The routine production of programmatic documents, views, decisions, conclusions, and the like, based on a tacitly acknowledged balance of power among the organized political factors participating in decisionmaking behind closed doors, has its own powerful inertia and guarantees that following the feverish effort on the preliminary "working papers" and "internal material" and after the lengthy exhaustive meetings, what comes out will only confirm and reinforce the status quo. The great loss of time and resources and the appearance of intensive effort most often merely are a cover for what actually amounts to marking time.

Even a superficial look at many important political documents produced in recent years cautions us that the normativist-dogmatist approach and "method of analysis" has assumed great proportions and threatens even to become dominant. There is no doubt that the critical analysis of the functioning of the political system, a document whose drafting has finally entered its final phase, also suffers from all these debilities, but it is, we believe, the kind of document that will give a constructive thrust to efforts to begin to remove in the domain of the political organization of society those things which in practice have proven to be an obstacle to the development of self-management.

The critical analysis is critical indeed in its notation and description of negative phenomena and exhaustive in their enumeration. It talks without beating about the bush or at least with minor qualifications about the alienation of the resources for expanded reproduction from the workers, about group-ownership and regional partitioning and carving up of socially owned property, about the autarky which is breaking up the unity of the Yugoslav market, about the slowness of the processes of integration, which are in addition being carried out mainly within the boundaries of opstinas, republics and autonomous provinces, about how the common interests are manifested "more as mediated common interests of associated labor for specific territories of sociopolitical communities at the higher or lower level, and less as the authentic interests of associated labor, the working people and citizens, and their self-managed associations."

Such indispensably clear critical assessments of the situation as contained in the analysis, as indeed in a number of other political documents of the recent past, leave no room whatsoever for the objection that the truth is being concealed and reality is being embellished by apologists. But, as we have already said, the social value of this kind of criticism does not depend solely on its acuity and "unsparingness," but also on its ability to bring to the surface and illuminate the true causes of the phenomena which are the subject of the analysis and criticism. Otherwise the critical observations and assessments, however accurate they might be, take on overtones of "a forced admission" of what is obvious and what would in any case be difficult to conceal or dispute.

And it is precisely on that task of discovering the objective and subjective causes of the situation in question that the method of normativistic subjectivism has failed the test. The failure to enforce or the inconsistent

enforcement of the constitutional and legal standards and what has been "sketched out" in them is taken as the general and most important cause of the phenomena and tendencies which need to be clarified. The widened gap between the normative system and the actual state of social relations is regularly charged to a reality which departs from the norm because of the incorrect behavior of almost all participants in the political process. In the absence of a more profound analytical elucidation of the objective cause-and-effect relationships, the document resorts to tautological explanations, so that what is only a symptom or expression of a particular state of affairs is referred to as its cause!

Perhaps it will not be inappropriate here to quote a few passages from the "Critical Analysis...":

"The incomplete state of construction of the integral system of the economic and social organization of associated labor and slowness in establishing linkage and integration of OUR's [organization of associated labor] with respect to reproduction and income over the country's unified economic area...is one of the key causes preventing the workers from becoming decisionmakers concerning the resources for expanded reproduction. At the same time this is also one of the causes preventing the workers from becoming the real holders and wielders of political power through the delegate system." The incompleteness of the system, then, is the reason why the workers are not managing the entirety of the income earned, and the fact that they are not managing income is an expression and essence of the incompleteness of the system! Thus we come full circle.

In the Closed Circle of Tautological Explanations

Enclosed in a circle of tautological explanations even the most accurate critical assessments of a situation cease to have the value of a guide to specific action and become "neutral" in operational and political terms, since the same phenomenon is taken both as the consequence of the particular state of affairs, but also as its cause, i.e., it is interpreted in terms of itself and in relation not to reality, but to a norm.

"The alienation of income from basic organizations of associated labor," the analysis reads, "is bringing about a weakening of the accumulative and reproductive capability of associated labor and its excessive dependence upon external sources of financing.... The consequence of all this is alienation of a considerable portion of the surplus value of labor from the workers...." Accordingly, the alienation of income from the workers is the cause of and reason for the alienation of income!

Or, when it comes to personnel policy and various bureaucratic monopolies in selection of personnel for self-management and public offices: "In many communities there are frequent deviations in carrying out certain principles of personnel policy and failures to adhere to the criteria adopted.... Evaluation of performance in holding office in society is in practice inadequate and inappropriate and usually formalistic.... The process of divestiture of social and self-management functions is also taking place slowly. These

shortcomings are an expression both of the inadequate and inconsistent achievement of the status and social role of the workers in associated labor and in the conduct of personnel policy, as well as of departure from the democratically established principles and criteria of personnel policy at all levels. One reason for this is the incomplete and inconsistent performance of the role of sociopolitical organizations.... All of this has led to negative phenomena in personnel policy, such as: privatization, monopolies of individuals and small groups, and indeed even of political executive bodies in sociopolitical organizations, subjectivism, leaderism, careerist ambitions, sectarianism, cases of usurpation of various kinds, factional schemes, etc."

One can conclude from this that all of the antiself-management and antidemocratic deformations enumerated in the sphere of personnel selection, all the usurpations of power by the stratum of professional managers are occurring because of a departure from what has been prescribed, because the standards in effect are not being respected. Accordingly, there is no need to change anything except the behavior of participants in the political process, all of those who conduct and participate in the implementation of personnel policy! The basic and essential issue that has been raised and made possible by the "improper behavior" of individuals, groups, and indeed even the most responsible factors, the question of why the norms and democratic rules are not being respected, is thus completely evaded!

This kind of tautological interpretation of the causes of the bureaucratic-statist deformations which burden the political system has also determined the character and scope of the proposals for the "treatment" which should be administered. This is also the root of the easy-to-spot discrepancies and disproportions between the assessment of the situation and the proposals of measures for changing the situation (which is the typical shortcoming of many political documents, the "Critical Analysis" included).

[18 Nov 85 p 5]

[Text] The enclosure within opstina and regional boundaries represents without a doubt a serious economic and social problem. Autarky of this kind, and incidentally any other, frustrates optimum use of resources for expanded reproduction by associated labor and reduces the level of satisfaction of the needs of the overall society.

What is recommended and proposed in the "Critical Analysis" with respect to solving this problem? It says that "the opstina authorities should encourage self-management organization and the linkage of associated labor around income on the foundations of interdependence in reproduction, regardless of opstina, regional, provincial, and republic boundaries...."

What can be the real effects of recommendations of this kind if it does not propose or do anything to remove those causes and motives which have brought about the localistic behavior of opstina bodies of government we have seen up to now? What is in general the fate of vague political and moral appeals of this kind when they come up against the concrete material interests which motivate the behavior of the various political entities and their conception of what is beneficial to them and what isn't in a given situation?

Contradictory Proposals

In their desire to be acceptable to all participants in formulating the particular political document, some of the proposals are self-contradictory: they state a definite goal and at the same time recommend means which are not appropriate to achievement of that goal. Or again, just to illustrate, an example from the "Critical Analysis" (although many other documents abound in such examples as well):

"It is indispensable," states the Analysis, "to strengthen the planning functions in the domain of the economic infrastructure organized in the form of large and unified technological systems and to guarantee that the long-range planning in OOUR's [basic organization of associated labor] of those systems and in the system as a whole becomes the essential basis for establishment of their development.... The joint goals of development in those systems should be established on the basis of self-management reconciliation of the plans for development of the OOUR's of those systems...."

It is expected, then, that the harmonious planned development of unified large systems, which may have as many as a few hundred OOUR's, will be accomplished by strengthening the planning function of each of those OOUR's, or, in other words, that the needs and interests of the dynamic development of those systems, dictated by the profound revolutions taking place in modern technology, can be registered from the perspective of the separate interests of some 200 regionally and functionally separate OOUR's and that their reconciliation and bargaining will produce a unified plan that will guarantee development of the productive forces such as corresponds to the inherent needs of a modern economy! Our own experience tells us clearly enough that such expectations are illusory.

Pragmatism, routinism, and the conservative spirit of preserving the status quo have made strong deep inroads into the ideological life of the League of Communists and the other "organized forces of socialist consciousness." Were this situation to become constant and were it to go deeper, it could become one of the most difficult aspects of the present social crisis--the main obstacle to overcoming the crisis.

Explorations for Better Solutions

Are the objective economic contradictions and difficulties the principal cause of the situation on the "ideological front"? Starting with the historical experiences of our party, we have every reason to reject such an assumption! Were the fifties, the time when workers' self-management was introduced, not a period of exceptionally great material troubles and difficulties, and at the same time a period of ideological enthusiasm and an exceptional flourishing of theoretical thought. Communists recorded at that time in their party program that "nothing that has been created dare be so sacred to us that it cannot be superseded and cannot give way to what is still more progressive, still freer, still more human!"

How is a revolutionary party in power to preserve and indeed to further develop the ability of critical judgment of its own practice as well as the readiness to search for new and better solutions without shrinking away from the fact that it is calling into question relations of power and influence that have already been established and of which it itself is involved as a part of the formal and informal managerial structure?

Never out-of-date, this question has today come to the very center of the complicated set of problems concerning the functioning of the political system of socialist self-management. We encounter it in performing every specific task of our present phase of development of self-management as a global system of the economic and political organization of society. Even the most recent experience in the work on political documents setting forth the tasks and defining the strategy for the activity of the League of Communists and the other organized subjective forces can a very good occasion and stimulus for specific reflections on this topic. This also applies fully to the 3 years of work on the Critical Analysis of the Functioning of the Political System, which took place in the Federal Social Council for Problems of the Social System and in its working groups, as well as in the commission which was assigned the task of writing the final document on the basis of all the work that had been done previously.

Unimpeachable Authority

If we just take a small glance into the "laboratories" where such documents are prepared, and if at least to some extent we become familiar with the "technology" applied in the effort, then we can arrive at a more objective and fair document about the values and faults of what is offered as the final result of that kind of effort. But even something more than that: When one examines from close up how political positions of a programmatic nature are arrived at (analytical assessments, conclusions, resolutions), one can judge more reliably to what extent the self-management-delegate method of political decisionmaking is being achieved in practice, that is, the extent to which it has actually been replaced by an essentially different method of decisionmaking based on republic-provincial parities and quasi-partnership relations of the small oligarchical elites of sociopolitical organizations and the territorial-political bodies of government administration. The relationship between those two ways of establishing policy (or, more accurately, reconciled foundations for adoption of political decisions) faithfully reflects the actual balance of power between degovernmentalization based on self-management pluralism of interests and polycentric statism. Practical experiences caution us that that relationship is still unfavorable for self-management. This, of course, has an impact on the functioning of all the institutions of the political system, including such bodies for self-management-political coordination as the social councils and their working bodies. The gap between the normative and the real threatens to widen still more.

The separate working group of the Social Council formed back in the fall of 1982 was made up on a parity basis of people who had been directly designated by the republics and autonomous provinces. The profile of members of the group varied, but the basic attribute of the "emissaries" of the particular

republic or autonomous province was common to all and dominant in their practical work. Individual opinions and proposals of the members of the groups, whether they liked it or not, therefore had the features of some kind of "officiality."

These circumstances inevitably place their imprint on the entire work of the group--so much the more because the sensitive question of changes in the political system had already been "politicized" to a considerable extent. The place of broader and basic examination of the problems unburdened by a priori political attitudes and based on fundamental realizations and the results of empirical research, the discussions in the working group and around it pursued the line of reconciling opposed positions already taken with respect to the very approach to the problems. The a priori and essentially artificial division into "defenders" and "reformers" of the Constitution essentially arose out of regional politics than out of ideology or theory. That is why the way out of the stalemate often had to be found in compromises and deals or in evasive and elastic expressions (at which we have become true masters), rather than in a fundamental and specific clearing up of the outstanding issues.

The history of the effort that followed on the "Critical Analysis..." has now become rather well known. Since in the first phase of the effort the approach and topic outline of the Analysis were adopted, five working groups were in turn established on the basis of the proposals of the republics and provinces, each of which was assigned the task of examining and working up a particular set of outstanding problems. This is how after rather lengthy and patient effort the voluminous material came to be embraced in eight separate printed documents. Each of those separate parts was taken up and analyzed critically in several successive meetings of the Social Council.

The Discussion Has Already Begun

Because of the differing and often directly opposed opinions, the council did not verify the separate documents as any officially adopted document, but placed them at the disposition of the Commission for Drafting the Final Document of the Critical Analysis which was formed last February along with the text of the discussion that had been conducted concerning them.

The commission was "mindful" of the separate documents, but it did not feel bound by them, but rather in the third round once again traveled the entire route from the new concept to the final version of the text. When the separate parts pertaining to the activity of sociopolitical organizations as an integral part of the political system and to achievement of unity and community in SR [Socialist Republic] Serbia are incorporated into that text, the document will be sent to participants in the work of the council and through the Socialist Alliance put up for public discussion. Incidentally, that discussion has already begun in the press and on public speaking platforms.

The author of these lines has no intention to evaluate or summarize the discussion which has already begun or to pronounce his own judgments about the good points and faults of this document, on which he himself worked all of 3 years and for which he bears his part of the collective responsibility. We

will be concerned here with a broader topic--the production of political documents and their fate in the quite recent past and today. The Critical Analysis offers good illustrative material for that purpose because the work on it lasted quite a long time and because a complicated procedure characteristic of the Social Council and other similar bodies of "political organization" was applied in it. Some of the problems and deviations typical of the functioning of the political system as a whole were specifically manifested in the very process of work on the analysis of that system. Thus even a superficial glance at the process of drafting the "Critical Analysis..." can be a kind of supplement to the analysis itself.

7045

CSO: 2800/66

POLITICS

YUGOSLAVIA

POZDERAC DISCUSSES TASKS OF 13TH CONGRESS, BUREAUCRACY, TECHNOCRACY

Zagreb DANAS in Serbo-Croatian 5 Nov 85 pp 11-14

[Interview with Hamdija Pozderac, member of the Presidium of the LCY Central Committee, by Mila Stula: "The Disorder of Bureaucratic Order"; date and place not given]

[Text] DANAS: Comrade Pozderac, since preparations are under way for the 13th LCY Congress that will determine the principal topic of our interview. In other words, the public expects a great deal of the 13th LCY Congress, perhaps even too much in view of the situation in the party and leadership. Does this not reflect once again our tendency to proclaim congresses, meetings, and the like as watersheds in advance and to measure history from congress to congress, from meeting to meeting. But let us ignore this incidental remark, congresses have always been important events in our history, and certainly this 13th will be so as well. In what respects?

Pozderac: Your remark is not incidental, it goes to the heart of the matter. The demands and expectations that often describe something as historical in advance take us further away from history, from what is historic. Not a single congress of the League of Communists, including this 13th one, can be routine, a passing or incidental event: It cannot concern itself solely with current tasks, however great and complicated they may be and however difficult their solution may seem. Every congress defines the moment in history, but at the same time it plots far in advance the road which must be traveled and the goal which must be reached.

The point of this general remark about the character of congresses is that our society and the League of Communists of Yugoslavia are in such a situation and such circumstances that absolute need and the logic of everyday problems in the economy, in social relations, in politics and culture, by virtue of the critical nature of their mass, and by the pressure of their urgency are exerting pressure and turning attention toward a reaction to them, while at the same time the broader context in which they are occurring is usually not examined. That is, often their solutions are not sought within a broad projection of society's development and along a line of strategy and points which guarantee the essential goals of development.

DANAS: Could you present in that context how you see the tasks of the 13th congress? In what respect, then, will it be important?

Pozderac: This congress of the League of Communists of Yugoslavia must be a congress that will clearly answer the question of which forces involved in controlling the process of reproduction of social capital have been obstructive and have frustrated realization of the strategic line of the 10th congress and to ascertain what ideological and political arsenal they have used to secure and indeed even broaden their own interests and the level of their control over social capital, over society's productive capabilities. In my judgment the principal social force which has frustrated realization of the line of the 10th congress--especially its crucial point, control of the working class over social capital--is precisely the bureaucracy and the technocracy.

After all, the main objective in building relations in the Federation was to abolish any monopoly, be it the federal or be it republic or provincial government, over the associated workers, and establishment of their control over all the key economic and other functions in society.

Yet precisely the opposite has happened; that is, the republic and provincial bureaucracies have placed associated labor under their control. The consequence and relations in our Federation have mainly taken the form of a strengthening of government power. On that basis there has been constant accentuation of the question of its sovereignty and responsibility for the solutions offered by the federal government or some other body of the Federation. Statism at all levels, and not only at the level of the republics and provinces, should be eliminated in favor of the pooling of labor and capital throughout Yugoslavia. That is why the 13th Congress of the League of Communists of Yugoslavia must necessarily be a congress of the struggle against bureaucracy and technocracy and various forms of their influence on social development, as well as for a radical change in the position of associated labor relative to the entire process of social reproduction. This is its historical dimension.

DANAS: The plenums and conferences between the two congresses have demonstrated that there are differing opinions concerning certain key issues in our development and sense of community. We might mention only the differing approaches to the right to dispose of foreign exchange, concerning the political system, or concerning relations within SR [Socialist Republic] Serbia. What do you think about this, are there prospects for achieving unity?

Pozderac: Of course there are, since this is the unified historical interest of the working class and of all our nationalities and ethnic minorities. And those issues which you have mentioned (there are others as well) are precisely questions concerning the methods of stating that single interest in specific terms.

Likewise, without a clear and timely political position, without its being honored in democratic procedure, we can hardly anticipate a creative synthesis of the differing legitimate interests at the end point of the process of

delegate decisionmaking. All attention is now being concentrated on that point of synthesis in our society, rather than on what is happening before it. But it has to be acknowledged that so far little work has been done on the synthesis, indeed even on the issues which you mention. That is why it is not surprising that the disunity manifested precisely in settling such important things has had adverse consequences for the overall orientation of the subjective forces, including even the League of Communists. Positions which have turned the demand for economic development into a change of the legal norms in the economy have even been reflected in their activities. This has opened up a road through which, on the basis of voluntarism, in a short time has taken up diametrically opposite methods and means of regulating the economy, an impact on the objective patterns of development is simulated. I would only issue a reminder that the economic therapies which have been applied for a short time, the cold and then the hot compresses, the freezing and then the thawing of prices, based on almost the same line of argument, have been equally unsuccessful.

DANAS: Nevertheless, the actual taking of positions by sociopolitical organizations actually accomplishes nothing in society in and of itself.

Pozderac: Which is why the interventionist role of sociopolitical organizations is our reality. Objectively differing interests and the inability to harmonize them in the institutions of the system (in large part because of the statist way of presenting them, which essentially disturbs their social basis) have been postponing many necessary solutions. This paralyzes the entire society and detracts from the overall efficiency of the economic and political system. Sociopolitical organizations are required to intervene when such blockades occur, but if they are to be able to do this, they must first have their own assessment and their own position. I agree with you that this is not the sole condition, and at times it is not even the most important condition, but it is a necessary one. This is the basis for making the transition from a basically comfortable and contemplative position on the part of those organizations and a neutralistic posture toward the present moment, to practical activity.

DANAS: It is obvious that those differences (as well as some others) are a consequence of the economic situation in the country, but also of certain other reasons and causes. However, the politicization of many problems of an economic nature is disturbing in that the provincial or republic bodies of leadership have been coming to the defense of the rights of their respective communities. We would not recall at this point where this might have taken us in certain other times, but even now there are those who think that in the political sense there is concern on the part of the working people and citizens for the fate of Yugoslavia, for its unity and for the unity of the League of Communists, for interethnic relations, and for the program of developing self-management.

Pozderac: Even in spite of the confusion and nervousness, which have gone so far as even to affect a portion of the members of the League of Communists, and in spite of the rather pronounced destructive wave of disputing all the achievements and attainments of the revolution by nationalistic and

antisocialist forces, there is a very strong disposition for Yugoslavia to develop in the direction which has been won in terms of history, which leads toward unity and cohesion, but no longer toward unitarianism and centralism as in the earlier stages, for further development and strengthening of the achievements of brotherhood and unity and the equality of the nationalities and ethnic minorities, and for suppression and eradication of nationalism, separatistic tendencies, and irredentist plots; for the unity and strength of socialist self-managing Yugoslavia to be achieved solely through the self-management integration of labor as the basis of the new production relations. But there is also another factor here: Other structures are still making decisions as intermediaries instead of the working class and in its name, and that not only those in the administrative or political superstructure of society, but also those social factors, the supposed elites, whom the logic of defending their own privileged position or indeed even bare existence sets in opposition to socialist self-management and to authentic power of the working class.

It is no accident, then, that in a segment of the public, and indeed in part even in the League of Communists, the attack is usually directed against precisely those democratic innovations of our system which, were they applied and achieved as set forth in the constitution, would signify the most profound changes both in the quality of global social relations and also in the effectiveness of solving the specific issues in the daily lives of the working people and citizens. For example, this applies to the concept of the relationship of associated labor, the conclusion of self-management accords and social compacts, the delegate system, the position of the republics and provinces in the federal system, and the way decisions are made in the Federation. Incomplete as they now stand (in large part because of the inadequate and sporadic activity of the subjective factor), they turn out to be the principal causes of the situation of crisis in various sectors of social life, and they thus furnish occasion for demanding a revision of the system.

DANAS: Is it possible to criticize the situation in society without that criticism also being criticism of the League of Communists and other sociopolitical organizations?

Pozderac: No, of course not. Otherwise there would be no explanation as to why both the economic and political systems are functioning in such a deformed way relative to their goals, why sociopolitical life is flowing through other channels, other methods, and other decisionmakers than those inherent in the system. The process of decentralization and democratization of economic life has gone a very long way, but it has not been accompanied by an appropriate process of social integration on the new foundations, in which precisely the organized forces of socialist consciousness would confirm themselves as the strongest integrative and cohesive force.

This gap between the institutional and the extrainstitutional has been possible only on the basis of alienated decisionmaking in expanded reproduction, solely on the basis of the fact that because of the inertia of the old production relations and relations in distribution and the balance of power in society and in the system, the surplus value has continued to be taken away from

associated labor, has continued to be concentrated, and has continued to circulate in the credit system, and there has been a tendency to maintain or indeed even to expand the wage relation.

DANAS: It is well known that there are differing opinions in the LCY on certain issues, which ought not to be particularly disturbing if there is a possibility of overcoming those differences. To what extent in your opinion will the 13th LCY Congress manage to reconcile those differences and define a unified program for Yugoslavia's development?

Pozderac: Taking heed of that idea of Marx that absolute agreement exists only in the grave, I would say that diversity of opinions is a fundamental feature of any democratic organization. That is why we should not fear disagreement and constructive unrest, since in their final outcome they lead toward unification and strengthening, rather than toward a weakening of the League of Communists. I would also add that ideological Puritanism is a feature of closed parties in which there is no life, in which ideological stagnation and monotony have put the main imprint on internal relations. An ideologically monolithic party appears to have strong and pure ideas, but in actuality it is without history and without a future, without the ability to turn its ideas into a force that can initiate movement.

We should, then, renounce illusions about monolithism, if they still persist, but at the same time we should not by any means renounce a unity built on democratic centralism. We have to become accustomed to differences, but only to that type of difference which does not jeopardize the basic ideological commitments of the League of Communists and unity in action. Nor is the platform for preparation of the 13th congress any exception in that regard. It itself bears the traces of that approach to a common solution. It is not the least common denominator of differing ideological currents which are evident in the League of Communists, but in all its parts it is concentrated on the essential strategic task of combating the bureaucratic and technocratic forces and their role in present social processes, and the struggle for development of socialist self-management as an integral social relation. It locates rather precisely the protagonists and methods of that struggle. It should not be forgotten that the platform is mostly based on the results of the public discussion of the Proposal of the Conclusions of the 13th Meeting of the LCY Central Committee, which was not uniformly favorable. There were also negative elements in it, all of which makes it imperative to conduct a deeper analysis, which is what the congress will have to do.

DANAS: How do you view the demands, which have not been small in number, that the League of Communists furnish answers to practically all the questions in social practice?

Pozderac: I think that the excessive concentration on having the League of Communists provide some sort of instant recipes for solving all social developments actually reflects the fact that it has still been largely operating in the old way. Which accounts for the impression that in society there are no other structures, that socialist protagonists have not been organized which have their own tasks in solving social problems. Nevertheless, no one can

replace the leading, nor cohesive, nor interventionist role of the League of Communists and its responsibility for the overall situation in society.

DANAS: There are differing assessments concerning the question of the so-called federalization of the LCY: Some people think (and they find evidence in practice) that the LCY has even now been organized in a federalistic way, since it shares the fate of society, since however many elements of cohesion and community there are in society, there are the same number in the LCY; while on the other hand others think that the problem has been blown out of proportion. There is also the argument that the present situation has come about through the enforcement of principles in the bylaws concerning the place and role of the LC's of the republics and provinces in the LCY and that would mean that there should be a change in both practice and principles.

Pozderac: First of all concerning the syndrome of so-called federalization. Although it is not easy to distinguish what all this means in practice, a rather clear criterion is nevertheless offered. That is, for a long time now the League of Communists has been resolving a rather obvious problem in practice: How to strengthen the class-unity character of the vanguard without that necessary process growing into the creation of a centralistic type of organization that is over and above the nationalities, and at the same time to develop the independence not only of the republic and provincial organizations, but indeed of all the other organizations of the League of Communists, without at the same time feeding tendencies toward disintegration of both consciousness and action within the League of Communists, that is, the tendencies toward federalization.

For many analysts, especially for critics of our entire present situation, this kind of situation is above all the result of the new relations of self-management federalism. Without neglecting the importance of the impact of the political independence of the republics and provinces as self-managing principals on economic and political processes (especially because this process has taken on the forms of a strengthening of the role and influence of the government on all relations in society), a more significant fact needs to be taken note of. The processes of disintegration in the economy and elsewhere do not stop at the boundaries of the republics and provinces. We are witnesses that ties, customary business, and other work obligations are everyday being severed between producers that belong to the same vertical entity, very often within republic and provincial borders, within opstina borders, and indeed even within complex organizations and work organizations. They obviously cannot be explained exclusively in terms of the "interests of the nationalities" being set in opposition to the established institutional relations in the Yugoslav Federation. That is why I am deeply convinced that it is a good thing that the platform for the 13th congress pursues the deeper causes and roots of these processes, that it analyzes the real social and class foundation of differentiations and relations based on interest. It examines them above all in terms of the domination of the intermediary strata in social relations, in terms of the working class having been moved out to the margins of social events.

DANAS: There have been numerous discussions and debates about democratic centralism; in some you yourself have participated, some you indeed even stirred up. Put most simply, the question is whether a member of the League of Communists, say, in a workers' council, is bound by the views of his basic organization or delegate base, is a decision or position of the LCY binding upon all party members in the country, does the conclusion of a republic central committee bind all the bodies of the League of Communists in the republic, and so on?

Pozderac: I think that the Bylaws of the League of Communists of Yugoslavia leaves no dilemmas whatsoever with respect to the vertical arrangement of relations in the League of Communists of Yugoslavia, nor dilemmas about whether the League of Communists is a unified and sovereign organization.

DANAS: Nevertheless, when it comes to implementing the principle of democratic centralism within the LC, there is a certain amount of confusion, especially in practice, since it is not uncommon for the second part of this phrase to be used. One can even hear the argument that all party members are bound to carry out the decisions of the leadership regardless of whether they have had occasion to express themselves concerning those decisions. If that were the case, then the party members, say, at TV Pristina or at Pristina University should not have been responsible for their acts, since they were obeying the leadership.

Pozderac: The key to the last thing you said lies in the previous question. It is certain that the manifestations of relaxation on the part of the membership, in my opinion, are largely a kind of reaction to the bureaucracy that is still strong and the top-heavy operation through forums in the League of Communists. For example, liberalistic relaxation cannot be combated by establishing "bureaucratic order," by restricting democracy, and by imposing bureaucratic discipline in the LC and in society. Nor can this be overcome by allowing on behalf of that struggle a kind of "democracy" which would entitle any member or organization of the LC or any body in the administration of society to interpret social and political commitments exclusively from the standpoint of his or its own personal and partial interests.

I also see the causes of that kind of irresponsibility--and you have mentioned only its most drastic form--in the fact that complex forms of responsibility, as a consequence of the neglect of democracy, have been reduced solely to responsibility for carrying out the views and decisions that have been adopted, while responsibility for the choice of policy and methods and means of accomplishing them has been completely neglected. Those two types of responsibility must be very much emphasized, since radical adverse changes may occur even in the best policy, that is, they may undergo metamorphosis, their human and revolutionary content may be diluted because the methods of action to bring them about have been wrongly chosen. Here, I am referring among other things to the events in Kosovo, when the eruption of nationalism and irredentism resulted, along with a number of other causes, from the irresponsibility of a portion of the party members and leadership of the Kosovo LC in selection of the means and methods of achieving certain goals, of a reduction of democratic centralism to centralism all by itself. This, of course, does not diminish

the responsibility of the membership for selection of those methods, but rather augments it, since there is the question of what they did to prevent that kind of policy and practice.

DANAS: Does it not seem to you that so far there has perhaps not been enough talk about the party, that there has not been an analysis of its activity in the system, that the meetings which have taken place have not been sufficiently concerned with Kardelj's vision of the role of the party: neither above nor outside, but within the system. It is precisely that fact, that the party is not yet operating in the way that was desired, that was pointed up by the recent discussion, and that has in fact been referred to as one of the causes of the present situation.

Pozderac: Performance of the social role of the League of Communists is not in line with its role in the bylaws and its constitutional role. And that is the central issue of our political system and thereby also of the activity of the subjective forces within it. Socialist self-management is undoubtedly a constant challenge for democratization of the internal relations and manner of operation of the LC. If the historical and political meaning of the existence of the LCY lies above all in the fact that it facilitates the most optimum development of socialist self-management, a distinction ought to be made--along with the truly sound demands for constant democratization of relations in the League of Communists--between the relations which take shape in society and the relations which were established in the League of Communists as a revolutionary organization.

As the revolutionary vanguard the League of Communists cannot equate its own system of organization and action and thereby also its organizational and structural separateness with the social organization of direct democracy.

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SCIENCE AND TECHNOLOGY

ROMANIA

EXPANSION OF PHARMACEUTICAL INDUSTRY

Bucharest ROMANIA LIBERA in Romanian 23 Nov 85 p 5

[Interview with director general of the Industrial Central of Pharmaceuticals and Cosmetics Engr. Elena Dumitrescu, chairperson of the organizing committee of the National Pharmaceutical Symposium, by Ioana Patrascu]

[Text] The proceedings of the Third National Symposium on Romanian Pharmaceuticals in Bucharest concluded recently. Attending were more than 300 people -- pharmacists, chemists, physicians, research workers and members of university staffs -- who discussed matters pertaining to achievements and prospects in this major area. From an interview with Elena Dumitrescu -- director general of the Industrial Central of Pharmaceuticals and Cosmetics and chairperson of the organizing committee of this scientific meeting -- we selected a few details of interest to our readers.

[Answer] The Third National Symposium on Romanian Pharmaceuticals aimed at informing the participants, through the more than 170 scientific reports and surveys, about the diverse problems of research, testing, processing and utilization of medicinal drugs, under the general title "Recent Achievements and Prospects in Research and Production of Pharmaceuticals During the 1985-1990 Period." On this occasion, an assessment was made of the stage and evolution of activity in this industrial sector in Romania, designed to meet medical needs in the area of morbidity and in health care, generally.

[Question] What are the major ingredients in the development of pharmaceutical production?

[Answer] From the outset I would like to point out the fact that this sector has been making great headway all over the world, triggered by scientific and technological progress, on the one hand, and, on the other hand, promoted by the effects of the use of medicines: improvement of medical care, extension of the average life span, increase in population.

In this country the production of pharmaceuticals has developed at a fast pace, concomitantly with the other industrial branches, from period to period expanding its material base, so that it is now turned out in five large production units, located in Bucharest, Cluj-Napoca and Iasi.

Because its area of utilization has beneficial impacts socially, the pharmaceutical industry has constantly enjoyed attention and concern of our party and state, of Nicolae Ceausescu personally, reflected in its steady progress, modernization and diversification. Its accomplishments also are the outcome of the tremendous development of the chemical industry, as a key sector of the economy, the major successes and advances in this field having resulted, in the complex sectors of scientific manifestation, in research and production, from the untiring activity conducted by the eminent scientist -- academician Dr. Engr Elena Ceausescu.

At this point, the national pharmaceutical industry is turning out more than 850 basic types, presented in therapeutical products and active pharmaceutical substances. Being turned out is a wide gamut of antibiotics, sulphamides, chemotherapeutical drugs, cortisone products, tuberculostats, antidiabetes drugs. The Romanian pharmaceutical industry also is providing the whole therapeutical array of vitamins and a very broad range of analgesic, antipyretic and anti-inflammatory drugs. We may state that also well represented are medicines used in circulatory and blood afflictions, troubles of the respiratory, digestive, renal and nervous systems.

Furthermore, as a result of the implementation of the decisions of our party and state, production units were set up or modernized -- specifically during the last 20 years -- which have enabled the Romanian pharmaceutical industry to gain recognition and appreciation abroad, as a modern and complex production sector. Today, pharmaceuticals like Gerovital, Asla-vital, Fosfobion, Sinderol, Boicil, Tetraciclina, Penicilina, Sulfamida, Vitamina C and many more, turned out by our industry, are well known and appreciated throughout the world.

[Question] What is the involvement of research in the broad and complex process of pharmaceutical production?

[Answer] By its specific the pharmaceutical industry is the carrier of a large amount of scientific information, and its development is closely tied with the progress of basic chemistry: inorganic, organic, petrochemistry, of the existence of a modern and complex technology of fine organic synthesis, plant extracts, biosynthesis, semisynthesis, all this being preceded by broad basic and applied research in which experts from various disciplines take part. The enormous amount of information incorporated in a medicine could also be expressed in the following example: one up to two pharmaceutical substances have the chance of being utilized from a volume of 10,000 chemical structures realized with supposed medicinal effects, as a result of various testing. Therefore,

profound and long scientific research underlie every new product. The creative capacity of Romanian research has manifested itself in this domain as well, as it underlies many uniquely developed pharmaceuticals. In this context, noteworthy is the outstanding output provided by the research institutes in Bucharest, Iasi and Cluj-Napoca under the Ministry of the Chemical Industry and the Ministry of Health, in the area of promoting Romanian pharmaceuticals. Moreover, we must emphasize the output of the teaching staff in the development of this sector, through the comprehensive studies and surveys conducted.

While we discuss research we must also point out the fact that ensuring conditions for the development of complex scientific, technological and production activities also involved pluridisciplinary cooperation, for the purpose of continuously advancing the technical and qualitative standard of production, modernizing production processes, arranging for the production of new pharmaceuticals characterized by better quality and high therapeutical efficacy, making better use of native raw materials.

[Question] Because we have reached this item, please specify another matter. This country has a tradition as to using plants as a therapeutical source, also motivated by the great wealth of spontaneous flora in Romania. How are these plants utilized?

[Answer] Because Romania is a huge reservoir of medicinal herbs, emphasis has been placed on refining and diversifying the techniques for obtaining various active principles. The result has been a very diversified range of highly efficient therapeutical drugs. Noteworthy among these are Digoxina, Silimarina, Disibion. Certainly, further study will bring about the enrichment of this therapeutical range.

[Question] Please outline a few current and future priorities in this realm.

[Answer] The development of the pharmaceutical industry as provided for in the Directives of the 13th Party Congress is mainly based on increase in the output of biosynthesis and fine synthesis products, on better utilization of resources of medicinal herbs, apicultural extracts and animal extracts. For the purpose of assuring the pharmaceuticals needed for protecting public health provisions for the 1986-1990 period anticipate rapid rates of development for the pharmaceutical industry: an annual average of 14.9 percent.

Special emphasis is placed on boosting the production of antibiotics, sulphamides and antirheumatoid drugs, of medicines required in combating cardiovascular diseases and for protection of the liver. Moreover, the range of products needed in pediatrics and obstetrics and gynecology will be expanded.

Special attention will be paid to utilization of native raw materials, use of novel medicinal herbs to obtain cardiogenic drugs and realization of medicinal drugs out of plants used in folk medicine.

All these lines of development, the efforts which they involve, actually, in the final analysis, aim at improving the status of health of the population, ensuring the vigor of our people.

SCIENCE AND TECHNOLOGY

YUGOSLAVIA

SCIENTIFIC-TECHNICAL COOPERATION WITH EEC

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 26 Nov 85 p 3

[Text] Ecological research on the water of the Danube and the Bay of Trieste, investigation of the risk of earthquakes in urban areas, and also the synthesis of new chemical compounds are four projects which have just been initiated in scientific and technical cooperation between Yugoslavia and the European Economic Community.

These are the first projects of bilateral scientific and technological collaboration under the 1980 agreement between Yugoslavia and the EEC, said Mira Lukic, division chief in the Yugoslav Bureau for International Scientific, Technical, and Cultural Cooperation, in an interview with a TANJUG newsmen.

The Community is using about \$300,000 to finance approximately half of the costs of these projects. A part of that money, which comes from the EEC Fund for Cooperation With Nonmember States, will be used to purchase the necessary research equipment in the countries of the Community.

Performance of the projects adopted, which will take 2 to 3 years, has been entrusted to the "Sinisa Stankovic" Institute for Biological Research in Belgrade (waters of the Danube), the Biology Institute of Ljubljana University (the ecology of the Bay of Trieste), the Institute for Earthquake Engineering in Skopje (seismic risks), and to the School of Engineering in Novi Sad (chemical compounds).

In the preparations for negotiations concerning the protocol on financial cooperation between Yugoslavia and the EEC over the period 1986-1990 there were hints that our country would receive outright grants from the budget of the Community for Scientific and Technical Cooperation With the EEC, which would have facilitated much more ambitious projects than is now the case. The draft of the protocol which Brussels finally offered, however, makes no provision at all for aid from the budget of "the 10."

EEC has agreed to cofinance only studies in the domain of environmental protection and seismology. Research on chemical compounds was added later. The Yugoslav side proposed 15 projects which would have covered such fields as information technology (the "Esperit" program), microelectronics, biotechnology, and genetic engineering and would have contributed significantly to the improvement of economic cooperation.

Yugoslavia has participated since back in 1972 in the multilateral program of scientific and technological cooperation "Cost" under EEC sponsorship, which is open to countries outside the Community in fields such as raw materials, medicine, and ecology. Studies of alternative energy sources, new materials, and other projects directly enhancing the competitiveness of national economies are intended, however, only for members of the Community.

The countries participating in the "Cost" program, aside from Yugoslavia, have now also become involved in the superb "Eureka" program, which is supposed to overcome Europe's technological lag behind the United States and Japan. In bilateral contacts with certain EEC leaders a favorable attitude has been shown toward Yugoslavia's possible participation, but official talks have not yet been conducted concerning this.

Yugoslavia is unquestionably interested in further improvement of scientific-technical cooperation with the EEC, and it is especially important in this connection to increase the number of fields "open" to our country. The content of the joint studies ought to be brought closer to Yugoslav interests, and stable funds should be furnished to allow for long-term planning and unhindered performance of the projects agreed to.

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CSO: 2800/74

SCIENCE AND TECHNOLOGY

YUGOSLAVIA

COUNTRYWIDE PROGRAMS FOR MODERNIZING TRANSPORTATION-COMMUNICATIONS

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 22 Nov 85 p 4

[Article by R. Krcunovic: "The Focus Is on Modernization"]

[Text] Among the 16 joint plans and programs proposed in the Economic Chamber of Yugoslavia which are essential to the country's balanced economic development and have been sent for concurrence to the Federal Executive Council and Federal Bureau for Social Planning, 3 have to do with the sector of transportation and communications--the Yugoslav Railroads, PTT [Postal, Telegraph and Telephone Service], and maritime and river shipping. They have been put in this group according to the basic criteria that apply to all those chosen, and they have been reconciled with the basic elements of development policy and the production orientation set forth in the Social Plan of Yugoslavia.

Performance of these programs should among other things guarantee a strengthening of exports, especially those in a higher phase of manufacturing and based on domestic resources, technology, and know-how. They should speed up progress in engineering and technology and guarantee more rapid creation of productive new jobs and more optimum utilization of resources and a better-balanced structure of the entire economy.

Priority for the Main Line

The plan for development of the Yugoslav Railroads over the period from 1986 to 1990 directs the joint tasks toward modernization of main lines, first of all the line between Jesenice-Sezana and Djevdjelija for speeds above 120 km/hr and its branches for speeds higher than 100 km/hr and an axle load of 22.5 tons, at the same time eliminating bottlenecks. This is dependent upon performance of major repairs, reconstruction of lines, stations and junctions, electrification and installation of new safety signal and telecommunications equipment.

Provision is also being made for construction of new tracks and lines: Tuzla-Zvornik, Valjevo-Loznica, Plevlja-Prijepolje, Kicevo-Ohrid, and others. Particular attention will be paid to development of the operational communications system, to the use of integrated transportation, and to joint modernization. Within that framework there are plans to purchase 99 electric locomotives, 349 passenger cars, 14,061 freight cars, and other transportation

facilities to enable the railroads to offer a larger volume of better-quality "door-to-door" services.

The financing of construction and reconstruction of priority infrastructural facilities on main lines will require 250 billion dinars, and rolling stock and equipment for integrated transportation 210 billion dinars. The sources of financing would be the railroads' own resources, domestic and foreign credits, mandatory pooling of capital, earmarked contributions from the retail prices of petroleum products, etc. However, the infrastructural facilities would be financed with outright grants by the republics and autonomous provinces, while their modernization would be done by sociopolitical communities, users of services, and the railroads.

A Bolstering of Communications

The joint plan of Yugoslav PTT enterprises makes provision in postal service for construction of main centers in Belgrade, Ljubljana, Sarajevo, and Split, while in telephone and telegraph service provision has been made for the "Central" coaxial cable transmission system, the JUPAK unified data transmission system, and a number of analog and digital transmission systems.

The program did not express the amount of money required to carry it out, but it emphasized the need for better organization and cooperation with volume users of services, with the domestic equipment industry, with tourist and other work organizations, and with sociopolitical communities.

Within the framework of the broader community, accordingly, measures are to be taken to bring the level of rates into line with the real value of services and so that the pace of rate-setting preserves the reproductive and investment capability of work organizations. There is also a need to provide foreign exchange rights and the terms and conditions for committing credit from the International Bank for Reconstruction and Development and the credit potential of the postal savings bank under more favorable [original reads "less favorable"] conditions for development of the PTT system. There is also a need to facilitate the importation of equipment which is not manufactured in the country with more favorable customs treatment. More rapid development of maritime and river shipping constitutes an important contribution to the progress of the entire economy. The program calls for renewal and modernization of the merchant fleet by building vessels in domestic shipyards, but also by purchasing new and used vessels abroad, for a total of 47 vessels and 5 service craft, with a total carrying capacity of 705,000 gross register tons to meet the needs of maritime shipping, while plans call for purchasing 16 pushboats, 95 push-barges, and 19 self-propelled freight vessels for river shipping.

The first step in carrying out this program is for the shipping industry to enter into agreement as soon as possible with domestic shipyards to establish the plan for construction of the fleet to meet these purposes. At the same time, the opportunity has to be created for importing vessels on the basis of mortgages, relieved of the obligation to give up the inflow of foreign exchange until the vessel is paid off out of its own operation.

The focus of development in this sector is primarily on renewing the fleet and strengthening its competitiveness. However, there are also plans to raise the level of modernization and adequacy of equipment of our seaports and riverports, to regulate new waterways and to maintain them better, and to purchase equipment so that integrated transportation can be used more consistently.

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SOCIOLOGY

CZECHOSLOVAKIA

LEISURE TIME ACTIVITIES EXAMINED

Prague TVORBA in Czech 20 Nov 85 p 5

[Article by Oldrich Svic: "Not Recreation Alone"]

[Text] Puttering around in the weekend cottage or country house, usually connected with gardening or with recreational sports and tourism, has a long tradition in our country. Its expansion over the past 30 years ranks the CSSR among the first [countries] with this kind of leisure time occupation. Objective conditions were provided for its development mainly by the shorter work time and more free time, in other words, essentially by the changed structure of after-work time. This category includes the standard of services, with commuting to work, and above all, the standard of household equipment, including the housing standard. Among the objective factors which affect this kind of enjoyment of leisure time one should mention the unusually advantageous natural conditions existing within easy reach from our key industrial centers.

The heightened interest in the ownership of weekend cottages or homes in our country is determined to a major extent by the migration of our population; in the entire post-war period the population of small and average-sized communities has been declining and moving to communities with population over 100,000. The greatest increments in the period under observation were noted in the category of communities with population of 50 to 90 thousand, essentially the provincial centers. More than one-half of our citizens are now residing in such cities as well as in Prague and Bratislava. For comparison let us mention that in 1922 more than 70 percent of our citizens lived in communities with population under 5,000. Now, for example, in Prague on the average 28 out of every 100 citizens are able to spend weekends in their own place in the country; naturally, the standard of the furnishing of those places differs. Plzen is next with 25 per 100 citizens. Ceske Budejovice with 17, etc. By the same token, this scale denotes another aspect which may be regarded as objective conditions, i.e., the accessibility of recreational areas. Thus, such an opportunity is available in Ostrava to only 12 out of every 100 citizens in comparative income range, undoubtedly because actually the only accessible recreational area there is the Beskydy Mountains.

The high figures of the so called alternate opportunity of overnight lodging, however, also lead to negative consequences. The interest in certain concentrated areas of country cottages in the vicinity of Prague distinctly

signals ecological problems; in addition, the density of housing is already negating the basic purpose of weekend recreation. According to the latest statistical research a particularly unfavorable indicator is the annual use rate--only 22.6 percent of the weekend cottages are used all year, 49.7 percent during the summer, and 27.7 percent irregularly.

On the other hand, an undoubtedly positive aspect is the increasing tendency to make use of the plots around the weekend cottages and homes, which is motivated by new legal amendments on the use of agricultural lands for gardening. This tendency compensates to a considerable extent for the reduction of agricultural lands which is taking place. Furthermore, the contribution of the garden areas on the outskirts of towns, where the less fertile agricultural lands are cultivated, is not insignificant. In all those cases one must bear in mind that this [activity] involves an essentially voluntary extension of the work time and is entitled to rewards not only in the form of relaxation. Naturally, we also know of instances where the family members work so intensively over the weekend that on Monday they find it difficult to pull themselves together in their regular place of work to meet the requirements of their jobs.

Despite such rather undesirable exceptions it is noteworthy that the amount of fruits and vegetables grown by these small producers is extraordinary. Without claims to accuracy, because most of the production is consumed by the producers themselves, one may realistically assume that they produce close to one half of all the fruits and vegetables in our country. Thus, this is an important factor in our overall production of fruits and vegetables.

In spite of the continuously increasing interest in country cottages and weekend homes it is obvious that more and more citizens will be forced to spend their weekends in public tourist facilities, of which the most common are campsites, recreational facilities of individual enterprises and of mass organizations, and last but not least, special recreational establishments. As for summer weekends, the lodging capacity, although far from sufficient, is at least adequate. Basic shortcomings appear in weekend lodging capacities of winter resorts. The parking areas in Spindleruv Mlyn, in Pec under the Mt. Snezka and in other centers of winter recreation are a bane not only of the visitors but of the local residents as well. The lines of people waiting for an hour for their turn on the ski lift, the shortages of hotels and facilities that would suit the needs of the tourists on hikes in the mountains--those problems can no longer be evaded with excuses about objective difficulties. Naturally, this applies to the insufficient production and operational capacities in restaurants as well. Facilities, such as the Kolinska Hut, Hotel Cerny and scores of other traditional mountain hotels and lodges have been closed for several seasons, which urges us to consider whether the traditional approach to the solution of those problems is applicable. Nothing can be saved by procrastinating--the opposite is true. Scores--and today in fact hundreds--of automobiles and autobuses proceed for a day-long trip from towns to the mountains and back, and the same route is repeated on Sunday. How much gasoline and oil is wasted in reality week

after week? We know, for instance, that it is a 200 km ride from Prague to the mountains and back. And how much manpower is used in our economy for wasteful personal transportation, not to mention the negative effects--in terms of hygiene and health--on the recreation-seekers themselves? Would it not be preferable to find a radical solution to the above-mentioned problem and to judge this whole issue on its own merit?

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